

**LOUIS R. RIGBY**  
Mayor  
**JOHN ZEMANEK**  
Councilmember At Large A  
**DOTTIE KAMINSKI**  
Councilmember At Large B  
**DANNY EARP**  
Councilmember District 1  
**CHUCK ENGELKEN**  
Councilmember District 2



**DARYL LEONARD**  
Councilmember District 3  
**KRISTIN MARTIN**  
Councilmember District 4  
**JAY MARTIN**  
Mayor Pro-Tem  
Councilmember District 5  
**MIKE CLAUSEN**  
Councilmember District 6

## **CITY COUNCIL MEETING AGENDA**

**Notice is hereby given of a Regular Meeting of the La Porte City Council to be held March 14, 2016, beginning at 6:00 PM in the City Hall Council Chambers, 604 W. Fairmont Parkway, La Porte, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action.**

- 1. CALL TO ORDER**
- 2. INVOCATION** – The invocation will be given by Michael Abportus, Congregation Benim Avraham.
- 3. PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance will be led by Councilmember Jay Martin.
- 4. PUBLIC COMMENTS** (Limited to five minutes per person.)
- 5. CONSENT AGENDA** *(All consent agenda items are considered routine by City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember requests an item be removed and considered separately.)*
  - (a)** Consider approval or other action regarding minutes of the City Council meeting held on February 22, 2016 - P. Fogarty
  - (b)** Consider approval or other action regarding an Ordinance cancelling the May 7, 2016, general election and declaring the candidate for Councilperson At Large-A, the candidate for Councilperson-District 4, and the candidate for Councilperson-District 5 unopposed; and declaring John Zemanek, candidate for Councilperson at large-Position A, elected; declaring Kristin Martin, candidate for Councilperson-District 4, elected; and declaring Jay Martin, candidate for Councilperson-District 5, elected - P. Fogarty
  - (c)** Consider approval or other action authorizing the execution of an Interlocal Agreement for Election Services between the City of La Porte and the La Porte Fire Control, Prevention and Emergency Medical Services District - P. Fogarty
  - (d)** Consider approval or other action regarding a Resolution prohibiting handgun license holders from openly carrying a handgun in the room or rooms where meetings of the City Council and/or its Boards, Commissions, and Committees are being conducted pursuant to the Texas Open Meetings Act - C. Alexander
  - (e)** Receive 2015 Comprehensive Annual Financial (CAFR) Report - M. Dolby
  - (f)** Consider approval or other action regarding a Resolution authorizing the City Manager as the designated grant official for the Body Cameras Acquisition Project through the Criminal Justice Division, Office of the Governor, State of Texas - K. Adcox
  - (g)** Consider approval or other action awarding Bid #16002 for LPISD Historic Colored School Phase I - R. Davidson
  - (h)** Consider approval or other action awarding Bid #16008 for purchase of certain vehicles (Trucks & Van) for the Fiscal Year 2016 Vehicle Replacement Program - S. Valiante

- (i) Consider approval or other action approving purchase of Equipment & Vehicles using the H-GAC and Texas Local Government Cooperative Purchasing methods for the Fiscal Year 2016 Vehicle Replacement Program - S. Valiante

## 6. PUBLIC HEARINGS AND ASSOCIATED ORDINANCES

- (a) Public hearing to receive comments regarding recommendation by the Planning and Zoning Commission to approve an amendment to the Future Land Use Map Component of the La Porte Comprehensive Plan to change designation of a 3.9 acre tract located north of Fairmont Parkway near Willmont Rd., and described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 33 Treat Plant Site, Abstract 482, William Jones Survey from "Neighborhood Commercial" to "Commercial"; consider approval or other action regarding an Ordinance amending the Future Land Use Map Component of the La Porte Comprehensive Plan to change designation for a 3.9 acre tract located north of Fairmont Parkway near Willmont Rd., and described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 33 Treat Plant Site, Abstract 482, William Jones Survey, from "Neighborhood Commercial" to "Commercial" - E. Ensey (**This item was postponed at the February 22, 2016 meeting, until March 14, 2016**).
- (b) Public hearing to receive comments regarding the recommendation by the Planning and Zoning Commission to approve rezone of a 3.9 acre tract located north of Fairmont Parkway near Willmont Rd., and described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 33 Treat Plant Site, Abstract 482, William Jones Survey from Neighborhood Commercial (NC) to General Commercial (GC); consider approval or other action regarding an Ordinance to approve zone change request #15-92000004, for a 3.9 acre tract located north of Fairmont Parkway near Willmont Rd., and described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 33 Treat Plant Site, Abstract 482, William Jones Survey, from Neighborhood Commercial (NC) to General Commercial (GC) - E. Ensey (**This item was postponed at the February 22, 2016 meeting, until March 14, 2016**).

## 7. AUTHORIZATIONS

- (a) Consider approval or other action regarding RFP No. 16503 for Lifeguard services at City pools/recreation facilities - R. Epting

## 8. DISCUSSION AND POSSIBLE ACTION

- (a) Discussion and possible action appointing members to a planning committee for the La Porte 125th Anniversary Celebration Committee - T. Leach

## 9. REPORTS

- (a) Presentation - Receive 2015-2016 Annual Report from Chad Burke, President/CEO of the Economic Alliance Houston Port Region - S. Livingston
- (b) Receive report of Fiscal Affairs Committee Meeting - Councilmember Engelken

## 10. ADMINISTRATIVE REPORTS

- Planning and Zoning Commission Meeting, Thursday, March 17, 2016
- Zoning Board of Adjustment Meeting, Thursday, March 24, 2016
- City Council Meeting, Monday, March 28, 2016
- La Porte Development Corporation Board Meeting, Thursday, March 31, 2016

- 11. **COUNCIL COMMENTS** regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information

or existing policies – Councilmembers J. Martin, K. Martin, Kaminski, Zemanek, Leonard, Engelken, Earp, Clausen and Mayor Rigby

## 12. ADJOURN

**The City Council reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code (the Texas open meetings laws).**

**In compliance with the Americans with Disabilities Act, the City of La Porte will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meeting. Please contact Patrice Fogarty, City Secretary, at 281.470.5019.**

### CERTIFICATION

I certify that a copy of the March 14, 2016, agenda of items to be considered by the City Council was posted on the City Hall bulletin board on March 8, 2016.

*Patrice Fogarty*



**Council Agenda Item  
March 14, 2016**

1. **CALL TO ORDER**
2. **INVOCATION** – The invocation will be given by Michael Abportus, Congregation Benim Avraham.
3. **PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance will be led by Councilmember Jay Martin.
4. **PUBLIC COMMENTS** (Limited to five minutes per person.)

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**Council Agenda Item  
March 14, 2016**

5. **CONSENT AGENDA** *(All consent agenda items are considered routine by City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember requests an item be removed and considered separately.)*
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  - (b) Consider approval or other action regarding an Ordinance cancelling the May 7, 2016, general election and declaring the candidate for Councilperson At Large-A, the candidate for Councilperson-District 4, and the candidate for Councilperson-District 5 unopposed; and declaring John Zemanek, candidate for Councilperson at large-Position A, elected; declaring Kristin Martin, candidate for Councilperson-District 4, elected; and declaring Jay Martin, candidate for Councilperson-District 5, elected - P. Fogarty
  - (c) Consider approval or other action authorizing the execution of an Interlocal Agreement for Election Services between the City of La Porte and the La Porte Fire Control, Prevention and Emergency Medical Services District - P. Fogarty
  - (d) Consider approval or other action regarding a Resolution prohibiting handgun license holders from openly carrying a handgun in the room or rooms where meetings of the City Council and/or its Boards, Commissions, and Committees are being conducted pursuant to the Texas Open Meetings Act - C. Alexander
  - (e) Receive 2015 Comprehensive Annual Financial (CAFR) Report - M. Dolby
  - (f) Consider approval or other action regarding a Resolution authorizing the City Manager as the designated grant official for the Body Cameras Acquisition Project through the Criminal Justice Division, Office of the Governor, State of Texas - K. Adcox
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  - (i) Consider approval or other action approving purchase of Equipment & Vehicles using the H-GAC and Texas Local Government Cooperative Purchasing methods for the Fiscal Year 2016 Vehicle Replacement Program - S. Valiante

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**LOUIS RIGBY**  
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Councilmember At Large A  
**DOTTIE KAMINSKI**  
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Councilmember District 6

## **MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LA PORTE FEBRUARY 22, 2016**

The City Council of the City of La Porte met in a regular meeting on **Monday February 22, 2016**, at the City Hall Council Chambers, 604 West Fairmont Parkway, La Porte, Texas, at **6:00 p.m.** to consider the following items of business:

Mayor Rigby called the meeting to order at 6:00 p.m. Members of Council present: Councilmembers Engelken, Earp, Zemanek, Clausen, Kaminski and J. Martin. Absent: Councilmembers K. Martin and Leonard. Also present were City Secretary Patrice Fogarty, City Manager Corby Alexander, and Assistant City Attorney Clark Askins.

2. **INVOCATION** – The invocation was given by Clark Askins.
3. **PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance was led by Councilmember Mike Clausen.
4. **PRESENTATIONS, PROCLAMATIONS, and RECOGNITIONS**
  - (a) Recognition – Employee of the Fourth Quarter 2015 – Victor Martinez – City of La Porte Public Works Department (Solid Waste) – Mayor Rigby  

Mayor Rigby recognized Victor Martinez as Employee of the Fourth Quarter 2015.
  - (b) Recognition – Employee of the Year 2015 – David Hefner – City of La Porte Parks and Recreation Department (Building Maintenance Supervisor) – Mayor Rigby  

Mayor Rigby recognized David Hefner as Employee of the Year 2015.
  - (c) Recognition – Manager of the Year – Cathy Haney – City of La Porte Municipal Court (Court Administrator) – Mayor Rigby  

Mayor Rigby recognized Cathy Haney as Manager of the Year 2015.
5. **PUBLIC COMMENTS** (Limited to five minutes per person.)  

There were no public comments.
6. **CONSENT AGENDA** *(All consent agenda items are considered routine by City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember requests an item be removed and considered separately.)*

- (a) Consider approval or other action regarding the minutes of the City Council Meeting held on February 8, 2016 – P. Fogarty
- (b) Consider approval or other action authorizing the City Manager to execute a contract with Gulf States Protective Coatings in the amount of \$273,025.00 and a project contingency of \$24,000.00 for a total project cost of \$297,025.00 – S. Valiante
- (c) Consider approval or other action authorizing the City Manager to execute a three-year contract with the Bay Area Houston Economic Partnership – S. Livingston
- (d) Consider approval or other action regarding an Ordinance amending Chapter 70 “Traffic and Vehicles” of the City Code of Ordinances, to change speed limit on Wharton Weems Blvd. – T. Leach
- (e) Consider approval or other action regarding a community cooperation project (new entryway sign) with Bay Point Townhome Homeowners Association – T. Leach

Regarding Item D, Councilmember J. Martin asked if the question on the speed limit on S. Broadway has been resolved. Assistant City Manager Traci Leach responded staff has contacted TX Dot and the speed limit signs are now consistent with the ordinance.

Councilmember J. Martin moved to approve Consent Agenda items pursuant to staff recommendations. Councilmember Zemanek seconded. **MOTION PASSED UNANIMOUSLY 7/0. Councilmembers K. Martin and Leonard were absent.**

Prior to council action, Assistant City Attorney Clark Askins read the caption of **Ordinance 2016-3625: AN ORDINANCE AMENDING CHAPTER 70 “TRAFFIC AND VEHICLES” OF THE CODE OF ORDINANCES BY ALTERING THE PRIMA FACIE SPEED LIMITS ESTABLISHED FOR VEHICLES UNDER THE PROVISIONS OF SEC. 545.356, TEXAS TRANSPORTATION CODE, UPON CERTAIN STREETS AND HIGHWAYS, OR PARTS THEREOF, WITHIN THE CORPORATE LIMITS OF THE CITY OF LA PORTE; PROVIDING A REPEALING CLAUSE; CONTAINING A SEVERABILITY CLAUSE; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; PROVIDING THAT ANY PERSON VIOLATING THE TERMS OF THIS ORDINANCE SHALL BE DEEMED GUILTY OF A MISDEMEANOR AND UPON CONVICTION SHALL BE FINED IN A SUM NOT TO EXCEED TWO HUNDRED DOLLARS; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF; AND PROVIDING AN EFFECTIVE DATE HEREOF.**

## 7. PUBLIC HEARINGS AND ASSOCIATED ORDINANCES

- (a) Public hearing to receive comments regarding the recommendation by the Planning and Zoning Commission to approve an amendment to the Future Land Use Map component of the La Porte Comprehensive Plan to change designation for a 0.57 acre tract at corner of N. 1<sup>st</sup> Street and E. Street, described as Lots 1-8, Block 108, Town of La Porte Subdivision from Commercial to Low Density Residential; consider approval or other action regarding an Ordinance amending the Future Land Use Map component of the La Porte Comprehensive Plan to change designation for a 0.57 acre tract at corner of N. 1<sup>st</sup> Street and E. Street, described as Lots 1-8, Block 108, Town of La Porte Subdivision from Commercial to Low Density Residential – E. Ensey

The public hearing opened at 6:18 p.m.

City Planner Eric Ensey presented a summary and recommendation.

Councilmember Zemanek questioned the difference between R-1 and R-2. City Planner Eric Ensey responded R-2 allows for different uses for housing that are not in R-1.

Councilmember Earp asked what will happen to the rest of the property that is zoned commercial. Mr. Ensey responded, during a Planning and Zoning Commission meeting, Board members discussed the idea of looking at all of the properties along 1<sup>st</sup> Street during the next comprehensive plan to be zoned residential as opposed to commercial.

There being no public comments the public hearing closed at 6:23 p.m.

Councilmember Zemanek moved to approve an Ordinance amending the Future Land Use Map component of the La Porte Comprehensive Plan for a 0.57 acre tract at corner of N. 1<sup>st</sup> Street and E. Street, described as Lots 1-8, Block 108, Town of La Porte Subdivision from Commercial to Low Density Residential. Councilmember J. Martin seconded. **MOTION PASSED 6/1. Councilmembers K. Martin and Leonard were absent.**

Ayes:	Mayor Rigby, Councilmembers Clausen, Zemanek, Kaminski, J. Martin and Engelken
Nays:	Councilmember Earp
Absent:	Councilmembers K. Martin and Leonard

Prior to council action, Assistant City Attorney Clark Askins read the caption of **Ordinance 2016-3626** AN ORDINANCE ADOPTING AN UPDATE TO THE FUTURE LAND USE MAP COMPONENT OF THE COMPREHENSIVE PLAN OF THE CITY OF LA PORTE, TEXAS UPON RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION OF THE CITY OF LA PORTE, TEXAS; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE.

- (b) Public hearing to receive comments regarding the recommendation by the Planning and Zoning Commission to approve rezone of a 0.57 acre tract at corner of N. 1<sup>st</sup> Street and E Street, described as Lots 1-8, Block 108, Town of La Porte Subdivision from General Commercial (GC) to Medium Density Residential (R-2); consider approval or other action regarding an Ordinance to approve zone change request #15-92000003, to rezone a 0.57 acre tract at corner of N. 1<sup>st</sup> Street and E Street, described as Lots 1-8, Block 108, Town of La Porte Subdivision from General Commercial (GC) to Medium Density Residential (R-2) – E. Ensey

The public hearing opened at 6:24 p.m.

There being no public comments the public hearing closed at 6: 25 p.m.

Councilmember Zemanek moved to approve an Ordinance approving zone change request #15-92000003, to rezone a 0.57 acre tract at corner of N. 1<sup>st</sup> Street and E Street, described as Lots 1-8, Block 108, Town of La Porte Subdivision from General Commercial (GC) to Medium Density Residential. Councilmember Kaminski seconded. **MOTION PASSED UNANIMOUSLY 7/0. Councilmembers K. Martin and Leonard were absent.**

Prior to council action, Assistant City Attorney Clark Askins read the caption of **Ordinance 2016-3627:** AN ORDINANCE AMENDING CHAPTER 106 “ZONING” OF THE CODE OF ORDINANCES OF THE CITY OF LA PORTE BY CHANGING THE ZONING CLASSIFICATION FROM GENERAL COMMERCIAL (GC) TO MEDIUM DENSITY RESIDENTIAL (R-2) FOR AN APPROXIMATELY 0.57 ACRE TRACT OF LAND HEREIN DESCRIBED; MAKING CERTAIN FINDINGS OF FACT RELATED TO THE SUBJECT; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE.

- (c) Public hearing to receive comments regarding recommendation by the Planning and Zoning Commission to approve an amendment to the Future Land Use Map Component of the La Porte Comprehensive Plan to change designation of a 3.9 acre tract located north of

Fairmont Parkway near Willmont Rd., and described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 33 Treat Plant Site, Abstract 482, William Jones Survey from Neighborhood Commercial to Commercial; consider approval or other action regarding an Ordinance amending the Future Land Use Map Component of the La Porte Comprehensive Plan to change designation of a 3.9 acre tract located north of Fairmont Parkway near Willmont Rd., and described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 33 Treat Plant Site, Abstract 482, William Jones Survey from "Neighborhood Commercial" to "Commercial" – E. Ensey

The public hearing opened at 6:26 p.m.

City Planner Eric Ensey presented a summary and recommended the item be continued to the March 14, 2016, City Council Meeting.

Councilmember Earp moved to continue the public hearing on March 14, 2016. Councilmember Kaminski seconded. **MOTION PASSED UNANIMOUSLY 7/0. Councilmembers K. Martin and Leonard were absent.**

Councilmember Kaminski moved to postpone action on the ordinance until the March 14, 2016. Councilmember J. Martin seconded. **MOTION PASSED UNANIMOUSLY 7/0. Councilmembers K. Martin and Leonard were absent.**

(d) Public hearing to receive comments regarding the recommendation by the Planning and Zoning Commission to approve rezone of a 3.9 acre tract located north of Fairmont Parkway near Willmont Rd., and described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 33 Treat Plant Site, Abstract 482, William Jones Survey from Neighborhood Commercial (NC) to General Commercial (GC); consider approval or other action regarding an Ordinance to approve zone change request #15-92000004, for a 3.9 acre tract located north Fairmont Parkway near Willmont Rd., and described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 33 Treat Plant Site, Abstract 482, William Jones Survey, from Neighborhood Commercial (NC) to General Commercial (GC) – E. Ensey

The public hearing opened at 6:26 p.m.

City Planner Eric Ensey presented a summary and recommended the item be continued to the March 14, 2016, City Council Meeting.

Councilmember Clausen moved to continue the public hearing on March 14, 2016. Councilmember J. Martin seconded. **MOTION PASSED UNANIMOUSLY 7/0. Councilmembers K. Martin and Leonard were absent.**

Councilmember J. Martin moved to postpone action on the ordinance until the March 14, 2016. Councilmember Clausen seconded. **MOTION PASSED UNANIMOUSLY 7/0. Councilmembers K. Martin and Leonard were absent.**

## 8. AUTHORIZATIONS

(a) Consider approval or other action authorizing the City of La Porte's participation as a sponsor for the 2016 United States Optimist Dinghy Sailing Association National Championship held at the Houston Yacht Club – J. Hefner

Marketing/Public Relations Specialist Jaree Hefner presented a summary and introduced Pat Gibson, who presented a PowerPoint on the event.

Councilmember asked if the City has enough funding for a sponsorship of \$10,000.00. Finance Director Michael Dolby responded yes.

Councilmember Kaminski moved to authorize the City of La Porte's participation as a sponsor for the 2016 United States Optimist Dinghy Sailing Association National Championship held at the Houston Yacht Club in the amount of \$10,000.00. Councilmember Engelken seconded. **MOTION PASSED UNANIMOUSLY 7/0. Councilmembers K. Martin and Leonard were absent.**

## 9. DISCUSSION AND POSSIBLE ACTION

(a) Discussion and possible action regarding the 125<sup>th</sup> Anniversary Celebration for the City of La Porte – Councilmembers Zemanek, Kaminski and Earp

Councilmember Zemanek began the discussion and commented the City has a fantastic Marketing Specialist/Public Relations employee and asked why would the City go outside for services of an event planner. City Manager Corby Alexander responded the City does not have the resources in-house for a huge event or several large events. Councilmember Zemanek asked what the one respondent's bid amount was. Mr. Alexander responded \$110,000.00 for one large event in August and five more at City facilities spread over eight months instead of having one event. Councilmember Zemanek commented the bid is too high, and the events should be run in-house and Staff can ask for help if it is needed.

Councilmember Kaminski asked how many companies were sent proposals. City Manager Corby Alexander responded nine companies.

Councilmember J. Martin asked why the City did not receive more than one bid. Assistant City Manager Traci Leach advised the Purchasing Department reported one company felt the scope of work was too broad.

Councilmember Clausen suggested Staff refine the scope of work and re-bid.

City Manager Corby Alexander commented the big event can be outsourced, and the smaller events can be done in-house.

Councilmember Engelken commented the city has a lot of talent and can use a citizens committee to form the event. Councilmember Earp commented he agrees with Councilmember Engelken to form a citizens committee to figure out what is wanted to showcase the city.

Councilmember Zemanek asked City Manager Alexander his thoughts on the one big event and the five smaller events. Mr. Alexander responded the big event could be like a Sylvan Beach Day festival-type event, and the smaller events can be held at Lomax Arena with a rodeo and the wave pool and perhaps other locations around the city.

Mayor Rigby commented that during City Manager Alexander's last evaluation, he was told to move events to the Parks and Recreation Department; and he feels a large event will need an event planner.

Councilmember J. Martin commented there should be a cross-functional committee with the Marketing Specialist/Public Relations employee and the Parks and Recreational Department.

Councilmember Engelken commented his thoughts after reading the back-up materials is for each Councilmember to appoint a committee member to come up with a timeline and events and bring it back to Council for direction.

**10. REPORTS**

**(a)** Receive 2015 City of La Porte Police Department Racial Profiling Report – K. Adcox

Police Chief Ken Adcox presented the 2015 City of La Porte Police Department Racial Profiling Report.

There were no questions from City Council.

**(b)** Receive report of the La Porte Development Corporation Board – Councilmember Engelken

Councilmember Engelken provided a report of the La Porte Development Corporation Board meeting which was held prior to the City Council Meeting.

**11. ADMINISTRATIVE REPORTS**

There were no additional reports.

**12. COUNCIL COMMENTS** regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information.

Councilmember Clausen congratulated Victor Martinez, David Hefner and Cathy Haney on their awards; Councilmembers J. Martin, Kaminski, Engelken, Earp and Mayor Rigby congratulated Victor Martinez, David Hefner and Cathy Haney on their awards and commented the Mardi Gras was a huge success and thanked everyone involved with the success; Councilmember Zemanek congratulated Victor Martinez, David Hefner and Cathy Haney on their awards; commented the Mardi Gras was a fantastic success, and also commented he hopes the trash bag issue is resolved with the citizens who did not receive coupons.

**13. EXECUTIVE SESSION** – The City reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code, including, but not limited to, the following:

**Texas Government Code, Section 551.074** – Personnel Matter: Deliberations concerning the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, unless the officer or employee requests a public hearing: City Secretary Patrice Fogarty

City Council recessed the regular Council meeting to convene an executive session at 7:10 p.m. regarding the item listed above.

**14. RECONVENE** into regular session and consider action, if any on item(s) discussed in executive session.

Council reconvened into the regular Council meeting at 7:53 p.m. Regarding the evaluation of the City Secretary, Patrice Fogarty, Councilmember Engelken moved to increase her salary by 4 percent. Councilmember Zemanek seconded. **MOTION PASSED UNANIMOUSLY 7/0. Councilmembers K. Martin and Leonard were absent.**

15. **ADJOURN** - There being no further business, Councilmember Engelken made a motion to adjourn the meeting at 7:54 p.m. Councilmember Zemanek seconded. **MOTION PASSED UNANIMOUSLY 7/0. Councilmembers K. Martin and Leonard were absent.**

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Patrice Fogarty, City Secretary

Passed and approved on March 14, 2016.

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Mayor Louis R. Rigby

## REQUEST FOR CITY COUNCIL AGENDA ITEM

<p>Agenda Date Requested <u>March 14, 2016</u></p> <p>Requested By <u>Patrice Fogarty</u></p> <p>Department: <u>City Secretary</u></p> <p>Report <input type="checkbox"/> Resolution: <input type="checkbox"/> Ordinance: <input checked="" type="checkbox"/></p> <p>Exhibits: <u>Ordinance declaring candidates unopposed and elected and cancelling May 7, 2016, general election.</u></p> <p>Exhibits: <u>Certification of Unopposed Candidates (Ex. A to Ord.)</u></p>	<p style="text-align: center;"><u>Appropriation</u></p> <p>Source of Funds: <u>General Fund</u></p> <p>Account Number: <u>001-6067-510-6004</u></p> <p>Amount Budgeted: <u>\$35,000.00</u></p> <p>Amount Requested: <u>0</u></p> <p>Budgeted Item: <b>YES</b> NO</p>
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### SUMMARY & RECOMMENDATION

On January 11, 2016, the City ordered a general election for May 7, 2016, for the purpose of electing Councilpersons for At-Large—Position A, and Districts 4 and 5. The incumbents for these three positions filed an application for a place on the ballot. No other candidate filed for these positions by the deadline, nor were there any declared write-in candidates by the deadline. Pursuant to Section 2.052 of the Texas Election Code, the City Secretary has certified these candidates as unopposed and has attached a copy of the certification to the proposed Ordinance as Exhibit A.

For Council's consideration is an ordinance declaring candidates John Zemanek, Kristin Martin, and Jay Martin duly elected to the respective offices shown:

**John Zemanek – Councilperson-at-large—Position A**  
**Kristin Martin – Councilperson—District 4**  
**Jay Martin – Councilperson—District 5**

Each candidate will be issued a certificate of election in the same manner and at the same time as provided for a candidate elected at the general election should there have been one; and cancelling the May 7, 2016, general election.

There will still be a **special election** held for the purpose of deciding whether to extend the La Porte Fire Control, Prevention, and Emergency Medical Services District.

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#### **Action Required by Council:**

Consider approval or other action regarding an ordinance cancelling the May 7, 2016, general election, and declaring the candidate for Councilperson At-Large—A, the candidate for Councilperson—District 4, and the candidate for Councilperson—District 5 unopposed; and declaring John Zemanek, candidate for Councilperson-at-large—Position A, elected; declaring Kristin Martin, candidate for Councilperson—District 4, elected; and declaring Jay Martin, candidate for Councilperson—District 5, elected.

#### **Approved for City Council Agenda**

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Corby D. Alexander, City Manager

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Date

ORDINANCE NO. 2016-\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS, DECLARING THE CANDIDATE FOR COUNCILPERSON-AT-LARGE—POSITION A, JOHN ZEMANEK, THE CANDIDATE FOR COUNCILPERSON—DISTRICT 4, KRISTIN MARTIN, AND THE CANDIDATE FOR COUNCILPERSON—DISTRICT 5, JAY MARTIN, UNOPPOSED; DECLARING THE CANDIDATE FOR COUNCILPERSON-AT-LARGE—POSITION A, JOHN ZEMANEK, THE CANDIDATE FOR COUNCILPERSON—DISTRICT 4, KRISTIN MARTIN, AND THE CANDIDATE FOR COUNCILPERSON—DISTRICT 5, JAY MARTIN, ELECTED; CANCELLING THE ELECTION FOR POSITION OF AT-LARGE—POSITION A AND SINGLE-MEMBER DISTRICTS 4 AND 5; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; CONTAINING A SEVERABILITY CLAUSE; CONTAINING AN OPEN MEETINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

\* \* \* \* \*

WHEREAS, pursuant to City of La Porte Ordinance No. 2016-3616, adopted on January 11, 2016, a general municipal officers' election was ordered to be held on May 7, 2016, for the purpose of electing three officials of the City, to wit: Councilperson-at-large—Position A and Councilpersons for Districts 4 and 5; and

WHEREAS, pursuant to said Ordinance No. 2016-3616 and Sections 143.007 and 146.054 of the Texas Election Code, the deadline for filing applications for a place on the ballot and declaration of write-in candidacy for the City's municipal officers' election has expired; and

WHEREAS, the City Secretary, in accordance with Section 2.052, Texas Election Code, has certified to the City Council in writing that John Zemanek is unopposed for election to the office of Councilperson-at-large—Position A; Kristin Martin is unopposed for election to the office of Councilperson—District 4; and Jay Martin is unopposed for election to the office of Councilperson—District 5; and a copy of such Certification of Unopposed Candidates labeled Exhibit A is attached hereto and made a part hereof; and

WHEREAS, the City Council hereby finds and determines that John Zemanek, Kristin Martin, and Jay Martin, candidate for Councilperson-at-large—Position A, and Councilperson—District 4 and Councilperson—District 5, respectively, whose names are to appear on the ballot in said election are unopposed; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

Section 1. The facts and matters set forth in the preamble of this ordinance are hereby found to be true and correct.

Section 2. In accordance with Section 2.053, Texas Election Code, John Zemanek, Kristin Martin, and Jay Martin are hereby declared duly elected to the respective offices shown and shall be issued a certificate of election in the same manner and at the same time as provided for a candidate elected at the election:

**John Zemanek – Councilperson-at-large—Position A**  
**Kristin Martin – Councilperson—District 4**  
**Jay Martin – Councilperson—District 5**

Section 3. Pursuant to Section 2.053, Texas Election Code, the general municipal officers' election heretofore called and ordered pursuant to City of La Porte, Ordinance No. 2016-3616, for the 7<sup>th</sup> day of May, 2016, shall not be held; and the City Secretary is hereby directed to cause a copy of this ordinance to be posted on election day, same being May 7, 2016, at the polling places that would have been used in such election.

Section 4. All ordinances or parts of ordinances inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

Section 5. In the event any clause, phrase, provision, sentence, or part of this ordinance or the application of same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of La Porte, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

Section 6. The City Council officially finds, determines, recites, and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

PASSED, APPROVED and ADOPTED on this the 14<sup>th</sup> day of March, 2016.

CITY OF LA PORTE

By: \_\_\_\_\_  
Louis R. Rigby, Mayor

ATTEST:

\_\_\_\_\_  
Patrice Fogarty, City Secretary

APPROVED:

  
\_\_\_\_\_  
Clark T. Askins, Assistant City Attorney

EXHIBIT A



City of La Porte

Established 1892

Office of the City Secretary

Patrice Fogarty, City Secretary

**CERTIFICATION OF UNOPPOSED CANDIDATES  
CERTIFICACION DE CANDIDATOS UNICOS**

To: Presiding Officer of Governing Body  
Al: *Presidente de la entidad gobernante*

As the authority responsible for having the official ballot prepared, I hereby certify that the following candidates are unopposed for election to office for the election scheduled to be held on May 7, 2016.

*Como autoridad a cargo de la preparacion de la boleta de votacion oficial, por la presente certifico que los siguientes candidatos son candidatos unicos para eleccion para un cargo en la eleccion que se llevara a cabo el 7 de Mayo, 2016.*

List of offices and names of candidates:  
*Lista de cargos y nombres de los candidatos:*

**Offices**  
**Cargos**

**Candidates**  
**Candidatos**

**Councilperson-At-Large—A**  
*Persona de Concilio At-Large—A*

**John Zemanek**

**Councilperson—District 4**  
*Persona de Concilio Distrito 4*

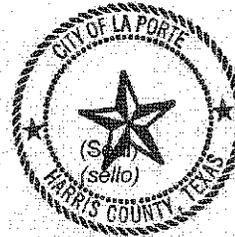
**Kristin Martin**

**Councilperson—District 5**  
*Persona de Concilio Distrito 5*

**Jay Martin**

2/24/16  
Date of signing (*Fecha de firma*)

Patrice Fogarty  
Patrice Fogarty (City Secretary)  
(*Patrice Fogarty, la secretaria de la ciudad*)



604 W. Fairmont Parkway ■ La Porte, Texas 77571 ■ (281)470-5021 ■ www.laportetx.gov

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: March 14, 2016

Appropriation

Requested By: Patrice Fogarty

Source of Funds:

Department: City Secretary's Office

Account Number:

Report:  Resolution:  Ordinance:

Amount Budgeted:

Other:

Amount Requested:

Budgeted Item:  YES  NO

**Attachments :**

### 1. Interlocal Agreement for Election Services

---

#### **SUMMARY & RECOMMENDATIONS**

For Council's consideration is an Interlocal Agreement for Election Services between the City of La Porte and the La Porte Fire Control, Prevention and Emergency Medical Services District (Fire District). This Agreement stipulates election duties and responsibilities for the conduct and administration of the election on behalf of the Fire District.

This Agreement is effective immediately at the time of its passage and approval by both parties hereto, and shall expire June 1, 2016.

---

#### **Action Required of Council:**

Consider approval or other action authorizing the Mayor to execute an Interlocal Agreement for Election Services.

---

**Approved for City Council Agenda**

**Corby D. Alexander, City Manager**

**Date**

**INTERLOCAL AGREEMENT FOR ELECTION SERVICES**

**STATE OF TEXAS           §**  
  **§**  
**COUNTY OF HARRIS       §**

This Agreement made and entered into by and between the CITY OF LA PORTE, TEXAS, (hereinafter "LA PORTE") and the LA PORTE FIRE CONTROL, PREVENTION AND EMERGENCY MEDICAL SERVICES DISTRICT (hereinafter "FIRE DISTRICT").

**WITNESSETH:**

1. This Agreement is made and entered into under the authority of the Interlocal Cooperation Act, Texas Government Code Chapter 791, and §344.159, Texas Local Government Code. The purpose of this Agreement is to establish the procedures, division of responsibilities, terms for use of equipment, and bearing of costs in connection with LA PORTE'S agreement to administer FIRE DISTRICT'S continuation referendum election.
2. The FIRE DISTRICT is holding a continuation referendum election to be held on May 7, 2016, (the "Election" herein), pursuant to §344.251 of the Texas Local Government Code. The Election shall be conducted for the voters residing in each of the six (6) City of La Porte election precincts, which together encompass the corporate territory of the City of La Porte and likewise define the boundaries of the FIRE DISTRICT. The early voting polling place for the FIRE DISTRICT election shall be at La Porte City Hall, 604 W. Fairmont Parkway, La Porte, TX 77571. Voting on Election Day, May 7, 2016, for the six (6) City-election precincts shall be at La Porte City Hall, 604 W. Fairmont Parkway, La Porte, TX 77571.
3. LA PORTE owns an electronic voting system, the Hart InterCivic eSlate Voting System (Version 6.2), which has been duly approved by the Secretary of State pursuant to Texas Election Code Chapter 122, as amended, and is compliant with the accessibility requirements set forth by Texas Election Code Section 61.012. FIRE DISTRICT desires to use LA PORTE's electronic voting system and to compensate LA PORTE for such use, including certain other expenses connected with the Election in accordance with this Agreement.
4. LA PORTE shall assume responsibility for the conduct and administration of the Election on behalf of the FIRE DISTRICT, including to 1) arrange for printing of ballots; 2) provide election booths and electronic counting machines; 3) appoint and compensate judges and clerks; 4) conduct early voting; 5) serve as the Central Counting Station to receive all ballots cast in the Election; and 6) arrange for all other matters necessary for the conduct of the Election. The costs and expenses incurred by LA PORTE in administering the Election, including the cost of operating the Central Counting Station for processing and tabulating ballots, shall be wholly reimbursed by FIRE DISTRICT. No charge shall be incurred for use of a public building in the conduct of the Election.
5. FIRE DISTRICT, with assistance from LA PORTE, shall be responsible for the preparation, adoption, and publication of all required election orders, resolutions, notices, and any other pertinent documents required by the Texas Election Code and/or LA PORTE's governing body.

6. LA PORTE shall arrange for all supplies and voting equipment for the Election, including but not limited to, official ballots, sample ballots, voter registration lists, and all forms, signs, maps and other materials used by the election workers and judges at the voting location.
7. FIRE DISTRICT agrees to appoint Patrice Fogarty as Election Administrator and Sharon Harris as the Early Voting Clerk, Barbara Matuszak as Presiding Judge, and Hector Villarreal as Alternate Presiding Judge. The La Porte City Secretary's election office in La Porte City Hall is hereby designated as the Central Counting Station to receive all ballots cast at the Election, and Sharon Harris is hereby appointed the Presiding Manager for said Central Counting Station. Said Presiding Manager shall appoint any clerks necessary to assist in receiving ballots and other records and in performing the other duties of said Presiding Manager in this regard. Martha Gillett is hereby appointed as the Presiding Judge of the Central Counting Station, and Jana Wood is hereby appointed as Alternate Presiding Judge for said Central Counting Station. The Election Administrator is hereby authorized and directed to obtain, or cause to be obtained, the necessary electronic tabulating equipment, to arrange for the testing thereof as provided by law and to employ a duly qualified manager and a duly qualified tabulation supervisor to perform the duties respectively imposed on them by law with respect to the processing and tabulation of ballots at the Central Counting Station. Norma Repman is hereby appointed the tabulation supervisor. FIRE DISTRICT shall appoint an Early Voting Ballot Board (EVBB) to process early voting results from the Election. The Presiding Judge, with the assistance of the Election Administrator, shall appoint two or more additional members to constitute the EVBB. The Election Administrator shall determine the number of EVBB members required to efficiently process the early voting ballots. Peggy Holland is hereby appointed as judge of the Early Voting Ballot Board.
8. This Agreement is subject to the approval of the La Porte City Council on behalf of LA PORTE and the Board of the FIRE DISTRICT. This Agreement shall be effective immediately at the time of its passage and approval by both parties hereto, and said Agreement shall expire June 1, 2016.
9. Nothing herein shall be construed as creating any personal liability on any part of any officer or agent of any public body that may be a Party hereto. The Parties agree that no provision of this Agreement is in any way intended to constitute a waiver of any immunities from suit or liability that any Party may have by operation of law. The Parties further agree that no provision of this Agreement extends the liability of any Party beyond the liability provided in the Texas Constitution and the laws of the State of Texas. Neither the execution of this Agreement nor any other conduct of any Party relating to this Agreement shall be considered a waiver of any right or defense under the Texas Constitution or the laws of the State of Texas.

10. This Agreement has been approved by the respective governing boards of the parties hereto. Payments hereunder shall be from current revenues available to the paying party.

WITNESS OUR HANDS, effective March 14, 2016.

**CITY OF LA PORTE, TEXAS**

By: \_\_\_\_\_  
Louis R. Rigby, Mayor

ATTEST:

\_\_\_\_\_  
Patrice Fogarty  
City Secretary

WITNESS OUR HANDS, effective \_\_\_\_\_, 2016.

**LA PORTE FIRE CONTROL PREVENTION  
AND EMERGENCY MEDICAL SERVICES  
DISTRICT**

By: \_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: March 14, 2016 Appropriation  
Requested By: Corby D. Alexander Source of Funds: N/A  
Department: Administration Account Number:  
Report:  Resolution:  Ordinance:  Amount Budgeted:  
Other:  Amount Requested:  
Budgeted Item:  YES  NO

**Attachments :**

### 1. Resolution

---

#### **SUMMARY & RECOMMENDATIONS**

At the January 25, 2016 Council meeting, the Council discussed options related to the new Open Carry law that was passed in the most recent legislative session. The Council approved a policy to allow concealed carry, but not allow open carry, in public meetings that are subject to the Texas Open Meetings Act.

While there are signs posted at the main entry to each of the subject meetings, the attached resolution codifies this policy position of the Council as it relates to the issue of handguns in public meetings.

Staff recommends approval of the resolution.

---

#### **Action Required of Council:**

Consider approval or other action of a Resolution stating the Council policy on handguns in public meetings.

---

**Approved for City Council Agenda**

\_\_\_\_\_  
**Corby D. Alexander, City Manager**

\_\_\_\_\_  
**Date**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS, AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE(S), TO POST THE REQUIRED SIGNAGE AND TO PROVIDE ORAL OR WRITTEN NOTICE AS NECESSARY TO PROHIBIT HANDGUN LICENSE HOLDERS FROM OPENLY CARRYING A HANDGUN IN THE ROOM OR ROOMS WHERE MEETINGS OF THE CITY COUNCIL AND/OR ITS BOARDS, COMMISSIONS, AND COMMITTEES ARE BEING CONDUCTED PURSUANT TO THE TEXAS OPEN MEETINGS ACT; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS,** Texas Penal Code Section 46.035(c) provides that a handgun license holder commits an offense if the license holder intentionally, knowingly, or recklessly carries a handgun under the authority of Subchapter H, Chapter 411, Government Code, regardless of whether the handgun is concealed or carried in a shoulder or belt holster, in the room or rooms where a meeting of a governmental entity is held and if the meeting is an open meeting subject to Chapter 551, Government Code, and the entity provided notice as required by Chapter 551 Government Code; and

**WHEREAS,** Texas Penal Code Section 46.035(i) provides that the prohibition against carrying a handgun by persons licensed under the authority of Subchapter H, Chapter 411, Government Code in the room or rooms where a meeting of a governmental entity is held and where the meeting is an open meeting subject to Chapter 551, Government Code and the entity provided notice as required by Chapter 551, Government Code, does not apply if the license holder was not given effective notice under Section 30.06 or 30.07 of the Texas Penal Code; and

**WHEREAS,** Section 30.07 of the Texas Penal Code provide that the owner of property or someone with apparent authority to act for the owner, in order to give notice to a handgun license holder that entry on property by a license holder openly carrying a handgun is forbidden, must either provide oral communication or written communication, with written communication being defined as a card or other document on which is written identical language to the following: "Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun) a person licensed under Subchapter H, Chapter 411, Government Code (handgun license law), may not enter this property with a handgun that is carried openly", or a sign posted on the property that includes this language, posted in both English and Spanish, that appears in contrasting colors with block letters at least one inch in height, and displayed in a conspicuous manner clearly visible to the public at each entrance to the property; and

**WHEREAS,** the City Council desires to prohibit handgun license holder from openly carrying a handgun in the room or rooms of all meetings of the City Council and/or its boards, commissions, or committees that are being conducted pursuant to the Texas Open Meetings Act and where the meeting was properly posted under the Texas Open Meetings Act; and

**WHEREAS**, to implement that prohibition, the City Council authorizes and directs the City Manager, or his designee(s), to post the required signage and to provide oral or written notice as necessary, in accordance with State law, to provide handgun license holders with effective notice that the open carry of handguns is prohibited in the room or rooms where meetings of the City Council and/or its boards, commissions, and committees, required to be posted pursuant to the Texas Open Meetings Act, and which were properly posted under the Texas Open Meetings Act, are being conducted.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:**

**SECTION 1.** That the findings and recitations set out in the preamble of this Resolution are found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes.

**SECTION 2.** That the City Council authorizes and directs the City Manager, or his designees, to post the required signage and to provide oral or written notice as necessary, in accordance with State law, to provide handgun license holders with effective notice that the open carry of handguns is prohibited in the room or rooms where meetings of the City Council and/or its boards, commissions, and committees, required to be posted pursuant to the Texas Open Meetings Act, and which were properly posted under the Texas Open Meetings Act, are being conducted.

**SECTION 3.** That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law, and the public notice of the time, place, and purpose of said meeting was given as required by law.

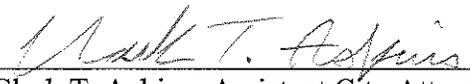
**SECTION 4.** That this Resolution shall be and become effective from and after its adoption.

**PASSED, APPROVED, AND ADOPTED this the \_\_\_\_\_ day of March, 2016.**

\_\_\_\_\_  
Louis R. Rigby, Mayor

ATTEST:

\_\_\_\_\_  
Patrice Fogarty, City Secretary

  
\_\_\_\_\_  
Clark T. Askins, Assistant City Attorney

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: March 14, 2016 Appropriation  
Requested By: Michael Dolby Source of Funds: N/A  
Department: Finance Account Number:  
Report:  Resolution:  Ordinance:  Amount Budgeted:  
Other:  Amount Requested:  
Budgeted Item:  YES  NO

**Attachments :**

### 1. Comprehensive Annual Financial Report

---

#### SUMMARY & RECOMMENDATIONS

In accordance with the City charter, the 2015 audit report will be presented to Council by the external auditors Pattillo, Brown and Hill. The audit report provides the City with reasonable assurance that the financial statements are free of material misstatements. The auditors designed tests that provide evidence that the financial statements conform to the highest level of accounting standards. The City of La Porte received an unqualified (clean) opinion from the auditors and no management comments.

The City of La Porte has won an award for excellence in financial reporting from the Government Finance Officers Association for thirty-four consecutive years.

---

#### Action Required of Council:

Receive report

---

#### Approved for City Council Agenda

\_\_\_\_\_  
Corby D. Alexander, City Manager

\_\_\_\_\_  
Date

**DRAFT**

**CITY OF LA PORTE, TEXAS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the Year Ended September 30, 2015**

**Prepared By  
Department of Finance**

CITY OF LA PORTE, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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CITY OF LA PORTE, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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CITY OF LA PORTE, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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**CITY OF LA PORTE, TEXAS**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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## **INTRODUCTORY SECTION**



City of La Porte

Established 1892

City Manager's Office **DRAFT**

The City of La Porte embraces our heritage, community values and opportunities, while enhancing the quality of life for our citizens.

March 14, 2016

To the Honorable Mayor,  
Members of City Council, and  
Citizens of the City of La Porte, Texas:

The Finance Department and City Manager's Office are pleased to submit the Comprehensive Annual Financial Report for the City of La Porte, Texas for the fiscal year ended September 30, 2015. This report is published to provide the City Council, City staff, our citizens, our bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government. This report consists of management's representations concerning the finances of the City of La Porte. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City of La Porte's financial statements in conformity with GAAP. The cost of internal controls should not outweigh their benefits; therefore the City of La Porte's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of La Porte's financial statements have been audited by Pattillo, Brown and Hill LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of La Porte for the fiscal year ended September 30, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amount and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent audit concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of La Porte's financial statements for fiscal year ended September 30, 2015 are fairly presented in conformity with GAAP. The independent auditors' report is presented as a component of the financial section of this report.

The independent audit of the financial statements of the City of La Porte included a federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City of La Porte's separately issued Single Audit Report. GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of La Porte's MD&A can be found immediately following the report of the independent auditors.

## Profile of the City

The City of La Porte, incorporated in 1892, is located in the southeast quadrant of Harris County and is bounded on the north by the Houston ship channel, on the east by Galveston Bay and the south by the Bayport channel. The City of La Porte currently encompasses 19 square miles and serves a population of 35,074.

The City is a home rule city operating under the Council-Manager form of government. Policymaking and legislative authority are vested in a governing council consisting of the mayor and eight other members. The city council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the City Manager, City Secretary and Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City and for appointing the heads of various departments. The Council is elected on a non-partisan basis. The Mayor and Council members serve three-year staggered terms. Six of the council members are elected by district. The Mayor and the two remaining council members are elected at large. The City of La Porte provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure and recreational activities and cultural events. Certain services are provided through a legally separate Water Authority, which functions, as a blended component unit and in essence, is a department of the City of La Porte, and, therefore, has been included as an integral part of the City of La Porte's financial statements. Additional information on the Water Authority and other blended component units can be found in Note 1B. of the notes to the financial statements. The City has established a Taxing Increment Reinvestment Zone one (the Zone). The zone is presented as a blended component unit and is being reported as a governmental fund type (see Note 1B). The City has also established a section 4 B Sales Tax Corporation (see Note 1B). The City also has established a Fire Control, Prevention and EMS District (see note 1B). The City's accounting records for general governmental operations are maintained on modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's utilities and other proprietary activities are maintained on the accrual basis.

The annual budget serves as the foundation for the City of La Porte's financial planning and control. Budgetary control has been established at the fund level. All agencies of the City of La Porte are required to submit requests for appropriation to the City Manager on or before May 26 of each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to council for review prior to August. The council is required to hold a public hearing on the proposed budget and to adopt a final budget by no later than September 30th. The appropriated budget is prepared by fund, function (e.g., public safety) and department (e.g., police). The directors are given latitude to approve transfers of appropriations within a department. Transfers of appropriations between funds, however require the special approval of the city council. Budget-to-actual comparisons are provided in financial reports for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 56 as part of the required supplementary information. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 72. Formal budgetary integration is employed as a management control device during the year for the General Fund and Enterprise Funds. Formal budget integration is not employed for the Debt Service and Capital Projects Funds because effective budgetary control is alternatively achieved through bond indenture provisions and legally binding construction contracts, respectively.

## Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of La Porte operates.

## Local Economy

The City of La Porte is located in the southeast quadrant of Harris County, which is a 1, 723 square mile county is a leading oil, gas and petrochemical areas. The County has more than 3,200 manufacturing plants, the nation's largest concentration of petrochemical plants, and the third largest United States seaport and is a corporation management center. A significant part of the County's major employers, manufacturers, education and financial institutions are located in Houston, the County seat. The Texas Medical Center, located in Harris County, is one of the nation's largest, providing medical care and educational opportunities. Higher education facilities include: University of Houston, Rice University, Texas Southern University, St. Thomas University and Houston Baptist University, all offering full four- year as well as postgraduate programs. The Lyndon B. Johnson Space Center is also located here. Located some 20 miles southeast of Houston on Galveston Bay in Harris County are the three communities that make up the La Porte Bayshore Area: La Porte, Morgan's Point and Shoreacres. The area has a combined population of approximately 40,000. Though much of the image of this area is industrial, the La Porte- Bayshore area is still characterized by an expanse of resort homes.

## Strategic Plan

- **Overview**

On October 27, 2012, the Mayor, City Council, City Manager and key staff of the City of La Porte met together in a retreat planning session. The purpose of that meeting was to establish the Council's Strategic Plan for the next five years. A report was prepared outlining the City Council's Mission, Vision and Core Values, as well as six overall goals. Each goal had identified objectives and strategies, with time lines for beginning and completing the goals.

On March 9, 2013, the City Manager and his key staff met. Their purpose was two-fold. First, staff reviewed and discussed the Mission, Vision and Core Values developed by the City Council and created Leadership Statements for the staff to follow to ensure their work is consistent with the value of the City Council. Secondly, staff reviewed and clarified the goals, objectives and strategies identified by the City Council; if necessary identify additional goals consistent with the overall mission, vision and values; and establish the framework for an action plan. The result of their work is documented in this report.

The Strategic Plan will provide a blueprint for action over the next five years. When developing the annual budget, staff will be tasked with making sure that expenditures and programs further the goals and Core Values stated in this document. This provides clear direction to the staff as to what priorities are important to the Council and plans can be made accordingly to make sure that resources are allocated towards those ends. Additionally, this plan is an excellent communication tool that the Council and the staff can use when speaking with residents and businesses. Many times, ad hoc requests can derail longer-term plans. The Strategic Plan outlines a framework for receiving, prioritizing, and budgeting for resident requests.

All participants, staff and Council, agreed to commit to the success of this plan. A plan only becomes a useful and working document when all the participants (as a whole and as individuals) make a commitment to review it regularly, use it monthly, and modify it as needed. It is a tool that can and should be used regularly to track progress, make notes of variations between expectations and actuals, of timelines and expenses, to help accomplish each goal, and to hold one another accountable for updates and completion.

- **Mission Statement**

The Council reviewed and revised the Mission Statement & Vision Statement of the City and the results are as follows:

*The City of La Porte embraces our heritage, community values, and opportunities, while enhancing the quality of life for our citizens*

## Vision Statement

*To provide improved infrastructure, to drive economic growth, and to enhance quality of life for our citizens.*

- **Core Values**

The City Council wanted to specify the core values under which the City and its staff function. Core values are the general guidelines that establish the foundation for how an organization will operate. Staff then discussed these value statements to define and gain an understanding of what those Core Value meant to staff from a leadership perspective. Staff first discussed what the elements of each Core Value represented, then prepared a Leadership Statement for each one.

The following are the Core Values of the City of La Porte:

- **Health & Public Safety:** City employees will ensure the health and safety of our citizens by providing and maintaining superior public infrastructure and public safety services.
- **Integrity & Accountability:** City employees will be open, honest and transparent, and be accountable to the Council so that Council can be responsive to the citizens.
- **Superior Customer Service:** City employees will proactively provide superior customer service in a positive and timely manner.
- **Quality in everything we do:** City employees will strive for superiority in all services we provide.

- **Goal and Plan Development**

During the Council Retreat in October 2012, six goals were developed by the Council, with staff providing assistance in the development of objectives. In March 2013, the staff further added “meat to the bone” to outline more specifically the actions that would be necessary to achieve the stated goals. The development and implementation of the action plan will serve to provide Council a clear understanding of how and when each of their goals will be accomplished. The action plan proposes to do the following:

- Identify a team leader: Each Goal needs a champion who will lead the effort to accomplish the goal and be held accountable for the action plan that is developed. A team leader for each goal was assigned.
- Identify team members. Likewise each goal needs a larger team, consisting of fellow staff from across all departmental lines where appropriate, to assist in the implementation process.
- Identify partners. Each team should identify the partners, outside the city organization, who can provide expertise and resources to accomplish the goal.
- Define action steps. Each objective needs defined action steps showing Council how the goal will be accomplished. The action steps provide the basis for benchmarks.
- Prepare a timeline. Timelines were prepared for each of the objectives. Staff reviewed those timelines and recommended adjustments.

The Council-identified goals are:

- Improve Infrastructure
- Preserve Heritage – to preserve the structure and amenities that make La Porte unique
- Ensure that all departments and facilities are ready for any disaster
- To encourage economic development/retail development
- To provide Superior Customer Service
- To revitalize blight/146

In addition to the six Council-identified goals, it was agreed that key areas of city government were not included in the goals identified by Council. Staff was tasked with discussing other areas where they would establish goals and objectives and bring them to Council for consideration and approval to include in the Strategic Plan. Several new goals were identified and are proposed for Council consideration:

- To provide and maintain superior public safety
- Continue to improve the quality of life through recreational amenities
- Create a Neighborhood Preservation Program
- Provide diverse and timely communications that promote and influence a positive public perception of La Porte

One critical component to ensuring that the elements of the Strategic Plan are being implemented is to provide regular status reports to the City Council. Staff prepares and presents to council quarterly written reports supplemented with oral reports or action items for implementation that may be necessary in-between written reports.

In fiscal year 2014, City staff appointed key department directors to carry out the major components of the strategic plan. Staff developed a matrix that identifies target dates for completion of the components of the strategic plan.

### **Relevant Financial Policy**

City staff is complying with the new GASB pronouncement 68 regarding pension reporting.

### **Major Initiatives**

Public Works identified major infrastructure improvements needed in the upcoming years, consequently, we issued \$7.8 million in certificates of obligation in fiscal year 2015 for utility and street improvements.

### **Long Term Planning**

Given the current economy and the uncertainty of the next few years, the City's existing financial position remains strong. The City has incorporated several strategies to decrease the expenses to the City over the next several years. Rising costs of personnel and the related benefits have been a challenge to the City; however, over the last few years, a healthy fund balance in the General Fund has allowed the City to weather these rising costs.

The city of La Porte is experiencing significant commercial and residential development. Over the past 18 months, multiple restaurants and retail establishments have opened in the City. A large, 45,000 square foot retail strip center opened and a new developer has begun another retail strip center development with an estimated value of \$7 million.

Additionally, the housing market in the Houston area, which included La Porte, has seen a 10% growth in the median price of homes over the last two years. Residential development has occurred at the City's golf course, and a Senior Housing Project with 180 units with a \$15 million dollar value is almost complete. Sens Road is another area of proposed residential development.

The Panama Canal expansion is bringing about a significant growth in warehouse operations and hotels. The deepening and widening of the port is prompting expansion of the Barbour's Cut terminal, which is located in La Porte, and the Bayport Terminal, which is located 1 mile outside the city limits, to allow receiving from super container ships. The low cost of natural gas continues to provide stability in the petro chemical market; consequently we are experiencing significant growth in our industrial districts.

Conservative revenue estimates and efforts to reduce expenditures have contributed to the City's strong financial position and have allowed the City to weather the economic slump. We are especially pleased that there have been no property taxes rate increases for (27) twenty-seven years. Additional capital projects are being funded by utilizing excess fund balances and previously issued debt that had been stranded. With the associated fund draw downs, the remaining fund balances continue to meet operational objectives and current fiscal policies.

## **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended September 30, 2014. This was the thirty-fourth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. In addition, the government also received the GFOA's Distinguished Budget Award for its annual budget document. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide and a communications device. Other financial awards to the City are the Popular Financial Report Award from GFOA, the Investment Policy Award from the Government Treasurer's Organization of Texas, the Platinum level of the Financial Transparency Award from the State of Texas Comptroller and the Achievement of Excellence in Procurement Award from the National Procurement Institute.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the mayor and city council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of La Porte's finances.

Respectfully submitted,

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Corby Alexander  
City Manager

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Michael G. Dolby  
Director of Finance



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

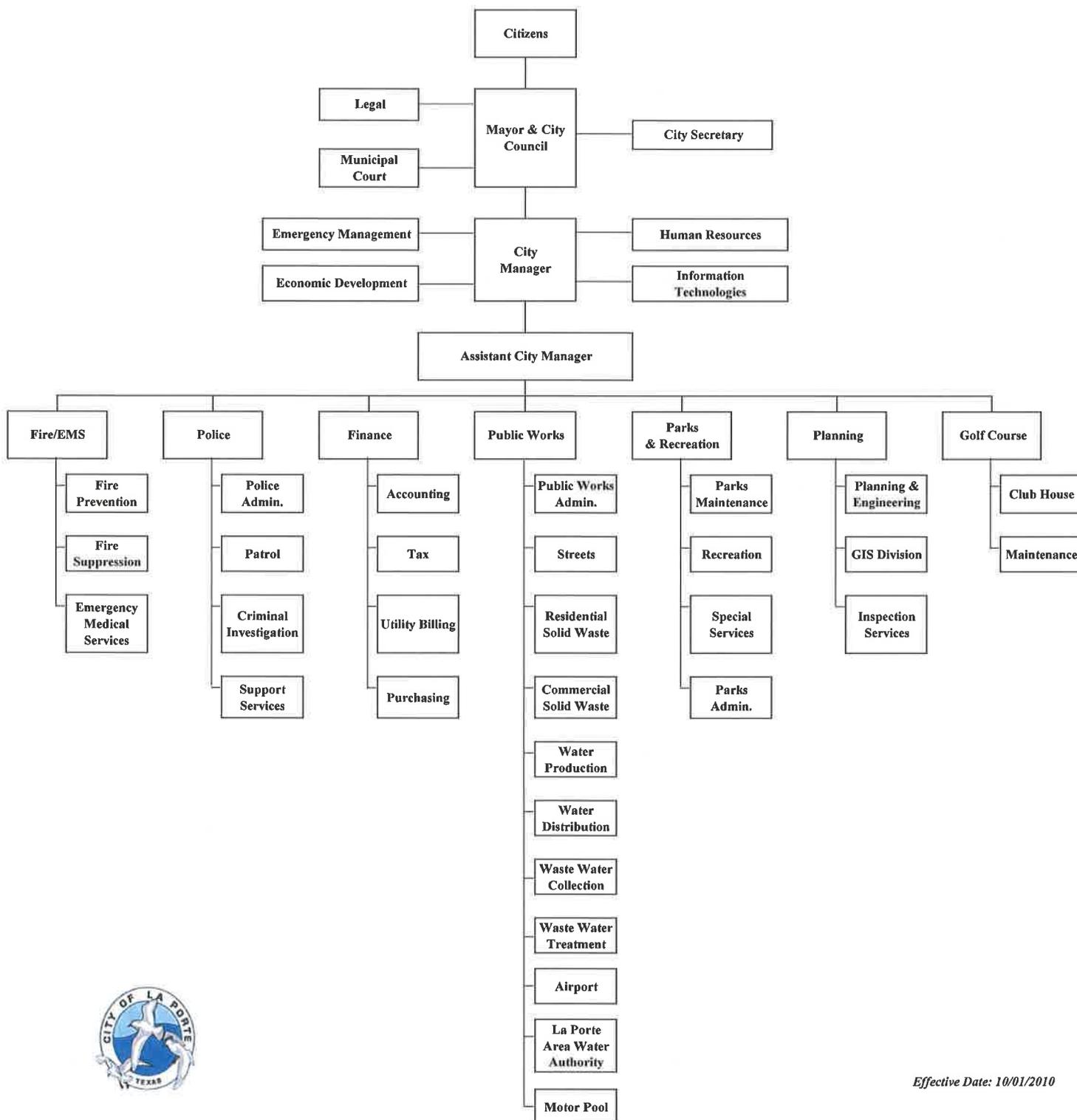
**City of La Porte,  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2014**

Executive Director/CEO

# CITY OF LA PORTE ORGANIZATIONAL CHART



Effective Date: 10/01/2010

**CITY OF LA PORTE, TEXAS**

**LIST OF ELECTED AND APPOINTED OFFICIALS**

**For the Year Ended September 30, 2015**

<b>Elected Officials</b>	<b>Position</b>
Louis Rigby	Mayor
Danny Earp	Council Member – District One
Chuck Engelken	Council Member – District Two
Daryl Leonard	Council Member – District Three
Kristin Martin	Council Member – District Four
Jay Martin	Council Member – District Five
Mike Clausen	Council Member – District Six
John Zemanek	Council Member – At Large A
Dottie Kaminski	Mayor Protem – At Large B

<b>City Management</b>	<b>Position</b>
Corby Alexander	City Manager
Traci Leach	Assistance City Manager
Ken Adcox	Police Chief
Sharon Valiante	Director of Public Services
Patrice Fogarty	City Secretary
Denise Mitrano	Municipal Judge
Michael G. Dolby	Director of Finance

DRAFT

## **FINANCIAL SECTION**



P A T T I L L O , B R O W N & H I L L , L . L . P .  
 CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members  
 of the City Council and Citizens  
 City of La Porte, Texas

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund financial of the City of La Porte, Texas (the "City") as of and for the year ended September 30, 2015, which collectively comprise the City's basis financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Tax Increment Reinvestment Zone Fund, which represents 3 percent and 15 percent, respectively, of the assets and revenues of the aggregate other governmental funds and 8 percent and 3 percent, respectively, of liabilities and revenue of the governmental activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it related to the amounts included for the Tax Increment Reinvestment Zone Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinion***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As discussed in Note I to the financial statements, in 2015 the City adopted new accounting guidance, Governmental Accounting Standards (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* and Governmental Accounting Standards (GASB) Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension information on pages 4 through 11 and 61 through 66, respectively, to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operations, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtain during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements.

*Other Information*

Our audit was conducted for purposes of forming opinions on the financial statements that collectively comprise the City's basic financial statement. The combining and individual nonmajor fund financial statements and schedules, introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated [REDACTED], 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Waco, Texas  
[REDACTED], 2016

DRAFT

**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**

## CITY OF LA PORTE, TEXAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of La Porte ("the City"), we offer the readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2015. It should be read in conjunction with the accompanying letter of transmittal and the accompanying basic financial statements.

**Overview of the Financial Statements**

The discussion and analysis serves as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and the required supplementary information. This report also contains other supplement information in addition to the basic financial statements themselves.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the four reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through their user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, health and sanitation and culture and recreation. The business-type activities of the City consist of water and sewer utilities, airport, and the La Porte Area Water Authority.

The government-wide financial statements can be found on pages 12 – 14 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories – governmental and proprietary – and utilize different accounting approaches.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 14 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, debt service and capital improvements funds, which are considered to be major funds. Data from the other 11 governmental funds are combined into a single, aggregated presentation.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 15 – 17 of this report.

**Proprietary Funds.** The City maintains two types of proprietary funds. Proprietary funds are used to report the same functions presented as business type activities in the government-wide statements. The City uses proprietary funds to account for its utilities, airport and water authority. Internal services funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for motor pool services, technology services and insurance. Because these services predominately benefit the governmental rather than business type functions, they have been included in the governmental activities in the government-wide financial statements.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The City uses enterprise funds to account for its utility operations, La Porte Area Water Authority and the Airport. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. The basic proprietary fund financial statements can be found on pages 19 – 23 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 – 60 of this report.

**Other Information.** In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide other post employee benefits, pension information and general fund budgetary comparisons. Required supplementary information can be found on pages 61 – 66 of the City's Comprehensive Annual Financial Report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal services funds are presented immediately following the required supplementary information. Combining and individual fund statements and supporting schedules can be found beginning on page 67 of the City's Comprehensive Annual Financial Report.

### Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. For the City, assets and deferred outflows exceed liabilities and deferred inflows by \$119,952,911 as of September 30, 2015, in the primary government as follows:

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
<b>Assets</b>						
Current and other assets	\$ 73,547,374	\$ 60,457,272	\$ 9,519,546	\$ 7,399,511	\$ 83,066,920	\$ 67,856,783
Capital assets	81,477,510	78,536,362	36,085,511	38,085,528	117,563,021	116,621,890
<b>Total Assets</b>	<u>155,024,884</u>	<u>138,993,634</u>	<u>45,605,057</u>	<u>45,485,039</u>	<u>200,629,941</u>	<u>184,478,673</u>
<b>Deferred Outflows of Resources</b>	<u>4,454,637</u>	<u>1,212,342</u>	<u>372,825</u>	<u>-</u>	<u>4,827,462</u>	<u>1,212,342</u>
<b>Liabilities</b>						
Other liabilities	6,059,172	6,311,566	1,450,755	1,116,042	7,509,927	7,427,608
Long-term liabilities outstanding	73,061,963	49,665,272	4,293,551	3,891,392	77,355,514	53,556,664
<b>Total Liabilities</b>	<u>79,121,135</u>	<u>55,976,838</u>	<u>5,744,306</u>	<u>5,007,434</u>	<u>84,865,441</u>	<u>60,984,272</u>
<b>Deferred Inflows of Resources</b>	<u>574,975</u>	<u>-</u>	<u>64,076</u>	<u>5,031</u>	<u>639,051</u>	<u>5,031</u>
<b>Net Position:</b>						
Net investment in capital assets	43,582,704	54,506,024	34,807,773	35,872,947	78,390,477	90,378,971
Restricted	14,507,643	11,088,233	1,250,850	1,930,369	15,758,493	13,018,602
Unrestricted	21,693,064	18,634,881	4,110,877	2,669,258	25,803,941	21,304,139
<b>Total Net Position</b>	<u>\$ 79,783,411</u>	<u>\$ 84,229,138</u>	<u>\$ 40,169,500</u>	<u>\$ 40,472,574</u>	<u>\$ 119,952,911</u>	<u>\$ 124,701,712</u>

### Net Investment in Capital Assets

The largest portion of the City's net position (65.4%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, improvements, construction in progress and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

## Restricted Net Position

A portion of the City's net position, \$15,758,493 or 13.1% represents resources that are subject to external restriction on how they may be used.

## Unrestricted Net Position

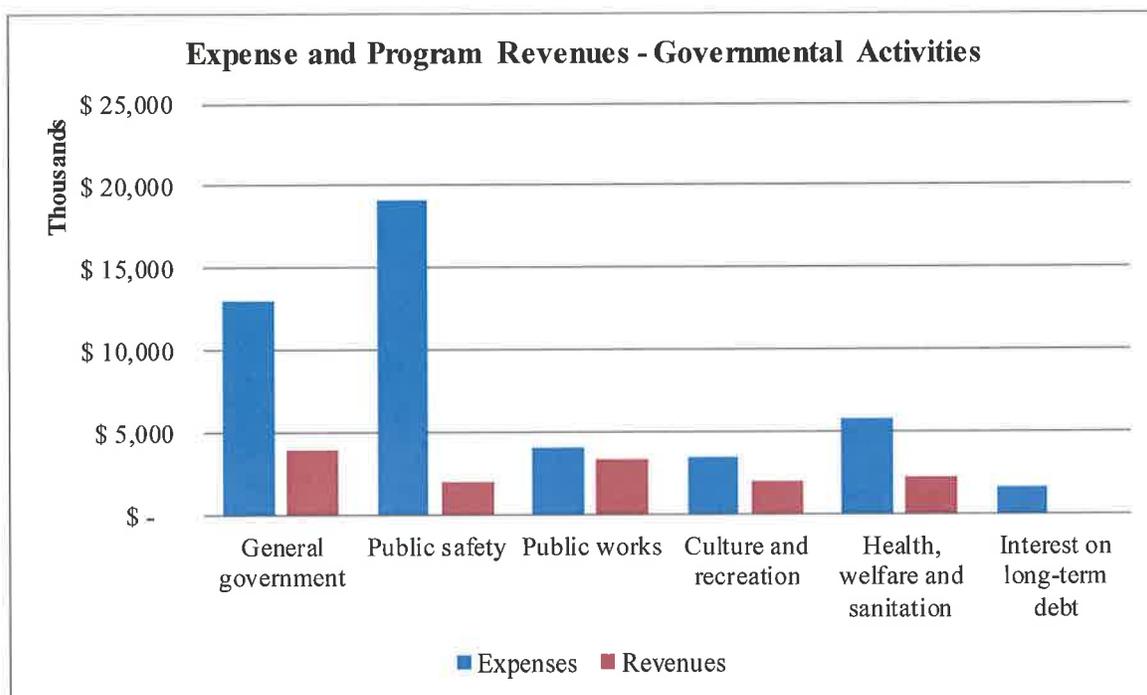
The remaining balance is unrestricted net position, \$25,803,941 or 21.5%, and may be used to meet the City's ongoing obligation to residents and creditors. Both of these categories remained relatively stable compared to the prior year.

The following table provides a summary of the City's operations for the year ended September 30, 2015, with comparative data total for the year ended September 30, 2014. Governmental activities increased the City's net position before the prior period adjustment by \$11,748,626. Business-type activities increased net position by \$631,278.

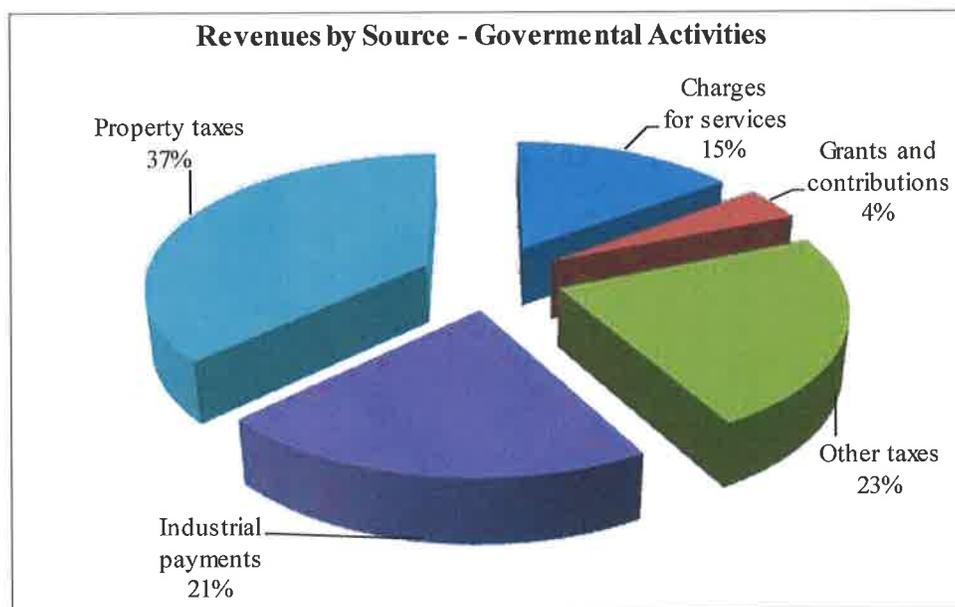
**City's Changes in Net Position  
For the Years Ended September 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 10,295,277	\$ 8,036,264	\$ 7,955,584	\$ 8,885,329	\$ 18,250,861	\$ 16,921,593
Operating grants and contributions	331,364	2,014,797	-	-	331,364	2,014,797
Capital grants and contributions	3,030,480	292	787,285	1,125,777	3,817,765	1,126,069
General revenue:						
Property taxes	20,765,774	19,925,095	-	-	20,765,774	19,925,095
Other taxes	13,155,689	12,356,904	-	-	13,155,689	12,356,904
Industrial payments	12,269,152	11,554,949	-	-	12,269,152	11,554,949
Investment earnings	204,346	106,024	25,440	8,624	229,786	114,648
Miscellaneous	164,004	458,770	-	100,795	164,004	559,565
<b>Total Revenues</b>	<b>60,216,086</b>	<b>54,453,095</b>	<b>8,768,309</b>	<b>10,120,525</b>	<b>68,984,395</b>	<b>64,573,620</b>
<b>Expenses</b>						
General government	12,962,387	14,115,210	-	-	12,962,387	14,115,210
Public safety	19,081,622	20,436,450	-	-	19,081,622	20,436,450
Public works	4,088,146	6,259,764	-	-	4,088,146	6,259,764
Culture and recreation	3,497,174	5,854,546	-	-	3,497,174	5,854,546
Health, welfare and sanitation	5,748,206	2,519,298	-	-	5,748,206	2,519,298
Interest on long-term debt	1,585,354	1,403,628	-	-	1,585,354	1,403,628
Water services	-	-	5,064,287	7,731,776	5,064,287	7,731,776
Sewer services	-	-	4,347,308	2,802,013	4,347,308	2,802,013
Airport	-	-	230,006	229,603	230,006	229,603
<b>Total Expenses</b>	<b>46,962,890</b>	<b>50,588,896</b>	<b>9,641,601</b>	<b>10,763,392</b>	<b>56,604,491</b>	<b>61,352,288</b>
Increase (decrease) in net position before transfers	13,253,196	3,864,199	( 873,292)	( 642,867)	12,379,904	3,221,332
Transfers	( 1,504,570)	( 371,039)	1,504,570	371,039	-	-
Increase (decrease) in net position	11,748,626	3,493,160	631,278	( 271,828)	12,379,904	3,221,332
<b>Net position - beginning</b>	<b>84,229,138</b>	<b>80,735,978</b>	<b>40,472,574</b>	<b>40,744,402</b>	<b>124,701,712</b>	<b>121,480,380</b>
Prior period adjustment	( 16,194,353)	-	( 934,351)	-	( 17,128,704)	-
<b>Net position - ending</b>	<b>\$ 79,783,411</b>	<b>\$ 84,229,138</b>	<b>\$ 40,169,501</b>	<b>\$ 40,472,574</b>	<b>\$ 119,952,912</b>	<b>\$ 124,701,712</b>

**Governmental Activities.** A comparison of program expenses to program revenues and revenues by source for governmental activities follows:

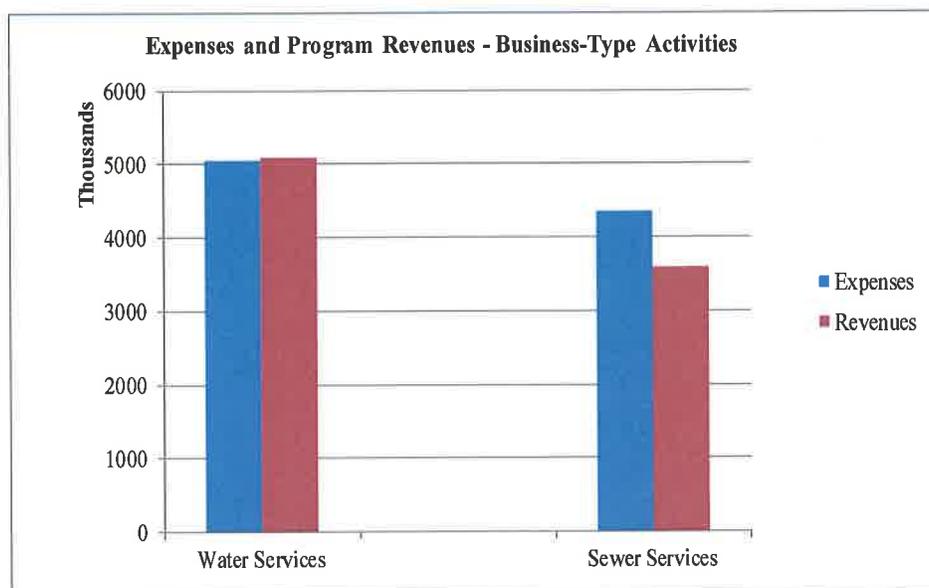


Revenues sources for governmental activities were distributed as follows:



For the year ended September 30, 2015, revenues without transfers in the governmental activities totaled \$60,216,086. This represents an increase of approximately \$5,762,991 or 10.6%.

**Business-Type Activities.** Revenues without transfers or interest in the business-type activities totaled \$8,768,309, a \$1,352,216 decrease from the prior year. This decrease is due to a decrease in charges for services and grants and contributions. A comparison between expenses and program revenues (charges for services) relating to Utility operations follows.



**Financial Analysis of the Government’s Funds**

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of the close of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$58,900,639, an increase of \$11,787,162 from the prior year. This increase is due to an increase in sales and use taxes, intergovernmental revenues, property taxes, and industrial payments.

**Governmental Funds.** The focus of the City’s governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

The General fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$25,216,547, an increase of \$3,922,164 due to an increase in revenue collections and cost containment. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 66.8% of total general fund expenditures and total fund balance represents 86.2% of the same.

The Debt Service fund has a total fund balance of approximately \$3,160,752, all of which is restricted for the payment of debt service. The net increase in fund balance from the prior year of \$391,830 was due to a debt refunding.

The 2015 Certificate of Obligation Bonds fund experienced an increase in fund balance in the amount of \$8,000,000. This was a planned increase as the City issued bonds to construct and acquire various capital assets.

**Proprietary Funds.** The City’s proprietary funds provide the same type of information found in the government-wide financial statements.

Unrestricted net position of the respective proprietary funds are Utility - \$1,117,596, La Porte Area Water Authority - \$2,639,726 and Airport - \$353,555. The changes in net position of the proprietary funds for 2015 were as follows: Utility – increase of \$597,555, La Porte Area Water Authority – increase of \$203,125 and Airport – decrease of \$169,403.

**General Fund Budgetary Highlights**

Actual revenues exceeded the final General Fund budgeted revenues by \$1,811,390. Sales and use tax and miscellaneous revenue exceed the projected budget by \$228,626 and \$126,303, respectively. Licenses and fees and fines and forfeitures also exceeded budget by \$689,547 and \$152,936, respectively.

The total appropriations exceeded expenditures by \$941,877, the majority of which can be attributed to five departments. Administration had a positive variance in the amount of \$113,042 due to open positions and reduction in special programs. Planning and engineering had a positive variance in the amount of \$212,585 due to open positions. The variance in Fire and Police for \$88,915 and \$103,880 was due to open positions in the department. Culture and recreation had a positive variance of \$80,668 due to open positions.

**Capital Asset and Debt Administration**

**Capital Assets.** The City’s investment in capital assets for its governmental and business-type activities as of September 30, 2015, amounts to \$117,534,684 (net of accumulated depreciation). This investment in capital assets includes land, buildings, roads, park facilities, water and wastewater plants and service lines, machinery and equipment, and construction in progress. The total increase in the City’s investment in capital assets for the current fiscal year was approximately \$912,794. The following table shows capital assets activity for the 2015 fiscal year:

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land	\$ 9,525,974	\$ 9,556,199	\$ 447,791	\$ 427,812	\$ 9,973,765	\$ 9,984,011
Construction in progress	16,459,209	11,740,161	266,050	177,974	16,725,259	11,918,135
Infrastructure	13,080,230	14,260,185	-	-	13,080,230	14,260,185
Buildings and improvements	32,752,085	33,276,073	32,968,686	34,353,183	65,720,771	67,629,256
Machinery and equipment	9,660,012	9,703,744	2,374,647	3,126,559	12,034,659	12,830,303
Total capital assets, net	\$ 81,477,510	\$ 78,536,362	\$ 36,057,174	\$ 38,085,528	\$ 117,534,684	\$ 116,621,890

Major capital asset events during the current year include the reporting of a drainage master plan study.

Construction in progress at year-end represents ongoing projects; to include various water and sewer projects. Additional information on capital assets activity can be found on pages 39 – 40 in the notes to the financial statements.

**Long-Term Debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$39,702,500 of this amounts, \$38,712,500 is backed by the full faith and credit of the City, and the remainder represents revenues bonds secured solely by specific revenue sources.

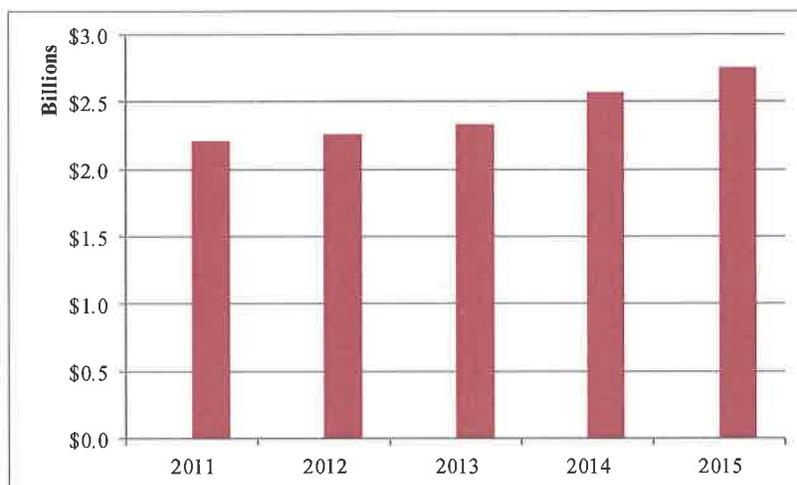
The City of La Porte maintains an “Aa2”, “AA”, and “AA” by Moody’s, Standard and Poor’s, and Fitch, respectively, for general obligation debt. The revenue bonds have been rated “NR”, “AA”, “NR” by Moody’s, Standard and Poor’s, and Fitch, respectively.

Additional information on long-term debt activity can be found on pages 40 – 44 in the notes to the financial statements.

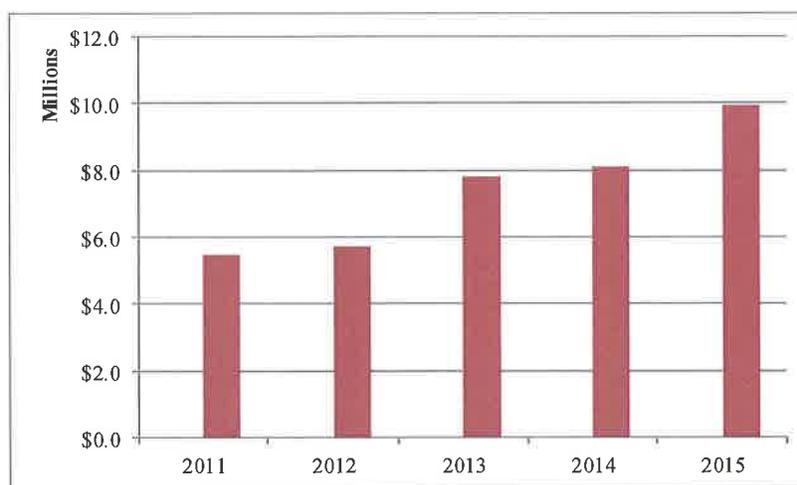
### Economic Factors and Next Year’s Budgets and Rates

The unemployment rate for the City of La Porte is current 4.6 percent which is a decrease from the rate of 5 percent a year ago. This is slightly higher than the state’s average unemployment rate of 4.2 percent which is less than the national average of 5.1 percent. During the upcoming year, the City will closely monitor the volatility in the housing market. Although our area has not been adversely affected by home foreclosures, we will observe future economic changes. Total assessed value for all residential and commercial property in the City of La Porte exceeded \$2.7 billion for fiscal year 2015. The trend for total assessed values has fluctuated slightly over the past five years resulting in a total increase of 20 percent.

Assessed property values trends (in billions):



Sales tax revenues trends (in millions):



### Contacting the City’s Financial Management

This financial report is designed to provide our citizens, customers, and creditors a general overview of the City’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director of Finance, 604 West Fairmont Parkway, La Porte, Texas, 77571.

DRAFT

**BASIC  
FINANCIAL STATEMENTS**

**CITY OF LA PORTE, TEXAS**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2015**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 43,440,779	\$ 5,063,319	\$ 48,504,098
Investments	16,296,638	3,226,242	19,522,880
Receivables, net of allowance for uncollectibles	12,974,403	1,226,385	14,200,788
Due from other governments	712,796	-	712,796
Internal balances	-	-	-
Inventories	122,758	3,600	126,358
Capital assets:			
Capital assets not subject to depreciation	25,985,183	742,178	26,727,361
Capital assets, net of accumulated depreciation	<u>55,492,327</u>	<u>35,343,333</u>	<u>90,835,660</u>
Total capital assets, net	<u>81,477,510</u>	<u>36,085,511</u>	<u>117,563,021</u>
<b>Total Assets</b>	<u>155,024,884</u>	<u>45,605,057</u>	<u>200,629,941</u>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	1,098,248	-	1,098,248
Deferred outflows related to pensions	<u>3,356,389</u>	<u>372,825</u>	<u>3,729,214</u>
<b>Total Deferred Outflows of Resources</b>	<u>4,454,637</u>	<u>372,825</u>	<u>4,827,462</u>
<b>Liabilities</b>			
Accounts payable	1,761,904	744,934	2,506,838
Accrued liabilities	1,231,794	130,588	1,362,382
Accrued interest	-	3,198	3,198
Unearned revenue	25,546	-	25,546
Customer deposits	-	572,035	572,035
Other liabilities	3,039,928	-	3,039,928
Long-term liabilities:			
Due within one year	3,173,134	941,746	4,114,880
Due in more than one year	<u>69,888,829</u>	<u>3,351,805</u>	<u>73,240,634</u>
<b>Total Liabilities</b>	<u>79,121,135</u>	<u>5,744,306</u>	<u>84,865,441</u>
<b>Deferred Inflows of Resources</b>			
Deferred gains on refunding	-	2,987	2,987
Deferred inflows related to pensions	<u>574,975</u>	<u>61,089</u>	<u>636,064</u>
<b>Total Deferred Inflows of Resources</b>	<u>574,975</u>	<u>64,076</u>	<u>639,051</u>
<b>Net Position</b>			
Net investment in capital assets	43,582,704	34,807,773	78,390,477
Restricted for:			
Debt service	4,213,547	1,250,850	5,464,397
Economic development	4,493,692	-	4,493,692
Senior citizen programs	10,543	-	10,543
Replacement of trees	638,265	-	638,265
Municipal court building and technology	347,571	-	347,571
Park improvements	379,015	-	379,015
Public safety	1,556,838	-	1,556,838
Public works	2,868,172	-	2,868,172
Unrestricted	<u>21,693,064</u>	<u>4,110,877</u>	<u>25,803,941</u>
<b>Total Net Position</b>	<u>\$ 79,783,411</u>	<u>\$ 40,169,500</u>	<u>\$ 119,952,911</u>

**The notes to the financial statements are an integral part of this statement.**

## CITY OF LA PORTE, TEXAS

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Function/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 12,962,387	\$ 3,981,230	\$ -	\$ -
Public safety	19,081,622	1,664,782	307,016	-
Public works	4,088,146	336,917	23,143	3,030,480
Culture and recreation	3,497,174	2,057,253	1,205	-
Health, welfare and sanitation	5,748,206	2,255,095	-	-
Interest on long-term debt	1,585,354	-	-	-
Total Governmental Activities	<u>46,962,890</u>	<u>10,295,277</u>	<u>331,364</u>	<u>3,030,480</u>
Business-Type Activities				
Water services	5,064,287	4,308,578	-	787,285
Sewer services	4,347,308	3,587,825	-	-
Airport	230,006	59,181	-	-
Total Business-Type Activities	<u>9,641,601</u>	<u>7,955,584</u>	<u>-</u>	<u>787,285</u>
Total Primary Government	<u>\$ 56,604,491</u>	<u>\$ 18,250,861</u>	<u>\$ 331,364</u>	<u>\$ 3,817,765</u>

## General revenues:

## Taxes:

Property taxes

Sales and use taxes

Industrial payments

Franchise taxes

Unrestricted investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning

Prior period adjustment

Net position - ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$( 8,981,157)	\$ -	\$( 8,981,157)
( 17,109,824)	-	( 17,109,824)
( 697,606)	-	( 697,606)
( 1,438,716)	-	( 1,438,716)
( 3,493,111)	-	( 3,493,111)
( 1,585,354)	-	( 1,585,354)
( 33,305,769)	-	( 33,305,769)
-	31,576	31,576
-	( 759,483)	( 759,483)
-	( 170,825)	( 170,825)
-	( 898,732)	( 898,732)
( 33,305,769)	( 898,732)	( 34,204,501)
20,765,774	-	20,765,774
10,743,862	-	10,743,862
12,269,152	-	12,269,152
2,411,827	-	2,411,827
204,346	25,440	229,786
164,004	-	164,004
( 1,504,570)	1,504,570	-
45,054,395	1,530,010	46,584,405
11,748,626	631,278	12,379,904
84,229,138	40,472,574	124,701,712
( 16,194,353)	( 934,351)	( 17,128,704)
<u>\$ 79,783,411</u>	<u>\$ 40,169,501</u>	<u>\$ 119,952,912</u>

**CITY OF LA PORTE, TEXAS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2015**

	General Fund	Debt Service Fund	2015 Certificate of Obligation Bonds	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 24,703,705	\$ 3,036,691	\$ -	\$ 11,124,065	\$ 38,864,461
Investments	10,709,745	115,024	-	3,487,362	14,312,131
Receivables, net of allowance for uncollectibles	4,015,988	40,081	8,000,000	914,831	12,970,900
Due from other governments	571,798	-	-	21,071	592,869
Due from other funds	-	-	-	532,813	532,813
Inventories	88,954	-	-	-	88,954
<b>Total Assets</b>	<b>40,090,190</b>	<b>3,191,796</b>	<b>8,000,000</b>	<b>16,080,142</b>	<b>67,362,128</b>
<b>Liabilities</b>					
Accounts payable	1,298,088	-	-	319,011	1,617,099
Accrued liabilities	1,126,547	-	-	25,569	1,152,116
Due to others	-	-	-	500	500
Due to other funds	-	-	-	532,813	532,813
Unearned revenue	-	-	-	25,010	25,010
Other payables	2,599,735	-	-	-	2,599,735
<b>Total Liabilities</b>	<b>5,024,370</b>	<b>-</b>	<b>-</b>	<b>902,903</b>	<b>5,927,273</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - property taxes	200,966	31,044	-	-	232,010
Unavailable revenue - fines and fees	557,855	-	-	-	557,855
Unavailable revenue - EMS	1,117,783	-	-	-	1,117,783
Unavailable revenue - other	626,568	-	-	-	626,568
<b>Total Deferred Inflows of Resources</b>	<b>2,503,172</b>	<b>31,044</b>	<b>-</b>	<b>-</b>	<b>2,534,216</b>
<b>Fund balances</b>					
<b>Nonspendable:</b>					
Inventories	88,954	-	-	-	88,954
<b>Restricted:</b>					
Debt service	-	3,160,752	-	1,083,817	4,244,569
Economic development	-	-	-	4,493,692	4,493,692
Senior citizen programs	-	-	-	10,543	10,543
Replacement of trees	-	-	-	638,265	638,265
Municipal court building and technology	-	-	-	347,571	347,571
Park improvements	-	-	-	379,015	379,015
Public safety	-	-	-	1,556,838	1,556,838
Capital projects	-	-	8,000,000	2,696,729	10,696,729
Public works	-	-	-	2,054,161	2,054,161
<b>Committed:</b>					
Construction	5,000,000	-	-	1,916,608	6,916,608
Health funds	2,000,000	-	-	-	2,000,000
<b>Assigned:</b>					
Encumbrances	257,147	-	-	-	257,147
Unassigned	25,216,547	-	-	-	25,216,547
<b>Total Fund Balances</b>	<b>32,562,648</b>	<b>3,160,752</b>	<b>8,000,000</b>	<b>15,177,239</b>	<b>58,900,639</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 40,090,190</b>	<b>\$ 3,191,796</b>	<b>\$ 8,000,000</b>	<b>\$ 16,080,142</b>	<b>\$ 67,362,128</b>

**The notes to the financial statements are an integral part of this statement.**

## CITY OF LA PORTE, TEXAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO  
THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2015

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balance, governmental funds	\$ 58,900,639
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	73,035,853
Certain other long-term assets (property taxes, court fines, EMS and other receivables) are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the statement of net position.	2,534,216
Some liabilities and deferred outflows and inflows are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the statement of net position.	
Bonds payable	( 21,220,000)
Certificates of obligation payable	( 17,230,000)
Premium on bonds	( 1,400,517)
Deferred charge on refunding	1,098,248
Interest payable	( 49,727)
Due to developer	( 6,364,611)
Compensated absences	( 3,110,998)
Deferred resources related to pensions	2,781,414
Net pension liability	( 12,963,264)
Net OPEB obligation	( 10,419,480)
The assets and liabilities of certain internal service funds are not included in the fund financial statements but are included in the governmental activities of the Statement of Net Position.	<u>14,191,638</u>
Net position of governmental activities	<u>\$ 79,783,411</u>

**The notes to the financial statements are an integral part of this statement.**

**CITY OF LA PORTE, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	General Fund	Debt Service Fund	2015 Certificate of Obligation Bonds	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property taxes	\$ 15,983,821	\$ 2,897,713	\$ -	\$ 1,848,694	\$ 20,730,228
Sales and use taxes	4,978,626	-	-	4,967,294	9,945,920
Franchise taxes	2,411,827	-	-	-	2,411,827
Industrial payments	12,269,152	-	-	-	12,269,152
Other taxes	96,323	-	-	701,619	797,942
Licenses and permits	1,346,552	-	-	-	1,346,552
Fines and forfeits	1,759,759	-	-	193,939	1,953,698
Charges for services	5,663,497	-	-	1,331,275	6,994,772
Intergovernmental	-	-	-	3,195,238	3,195,238
Investment earnings	140,227	3,363	-	40,439	184,029
Miscellaneous	239,303	-	-	159,569	398,872
<b>Total Revenues</b>	<b>44,889,087</b>	<b>2,901,076</b>	<b>-</b>	<b>12,438,067</b>	<b>60,228,230</b>
<b>Expenditures</b>					
<b>Current:</b>					
General government	10,384,684	-	-	1,568,482	11,953,166
Public safety	16,405,171	-	-	1,293,647	17,698,818
Public works	2,843,969	-	-	72,144	2,916,113
Health and sanitation	2,457,565	-	-	-	2,457,565
Culture and recreation	5,663,660	-	-	64,040	5,727,700
<b>Debt Service:</b>					
Principal	-	3,275,000	-	1,350,582	4,625,582
Interest and other charges	-	1,083,722	135,502	370,420	1,589,644
Capital Outlay	-	-	-	6,331,893	6,331,893
<b>Total Expenditures</b>	<b>37,755,049</b>	<b>4,358,722</b>	<b>135,502</b>	<b>11,051,208</b>	<b>53,300,481</b>
Excess (deficiency) of revenues over (under) expenditures	<u>7,134,038</u>	<u>( 1,457,646)</u>	<u>( 135,502)</u>	<u>1,386,859</u>	<u>6,927,749</u>
<b>Other Financing Sources (Uses)</b>					
Certificate obligation bonds issued	-	-	7,770,000	-	7,770,000
Premium on certificate obligation debt	-	-	365,502	-	365,502
Transfers in	57,500	1,849,476	-	1,162,498	3,069,474
Transfers out	( 4,815,084)	-	-	( 1,741,333)	( 6,556,417)
Insurance recoveries	210,854	-	-	-	210,854
<b>Total Other Financing Sources and Uses</b>	<b>( 4,546,730)</b>	<b>1,849,476</b>	<b>8,135,502</b>	<b>( 578,835)</b>	<b>4,859,413</b>
Net change in fund balances	2,587,308	391,830	8,000,000	808,024	11,787,162
Fund balance - beginning	29,975,340	2,768,922	-	14,369,215	47,113,477
<b>Fund balance - ending</b>	<b>\$ 32,562,648</b>	<b>\$ 3,160,752</b>	<b>\$ 8,000,000</b>	<b>\$ 15,177,239</b>	<b>\$ 58,900,639</b>

**The notes to the financial statements are an integral part of this statement.**

## CITY OF LA PORTE, TEXAS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

Net change in fund balances - total governmental funds:	\$	11,787,162
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlays \$6,151,176 exceeded depreciation of \$3,553,272 in the current period.		2,597,904
Governmental funds report the entire net sales price (proceeds) from the sale of an asset as an inflow because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of assets. Thus, the change in net assets differs from the change in fund balance by the book value of the assets sold and disposed.	(	83,368)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.	(	159,947)
Repayment of bond principal and payments to developers are an expenditure in the governmental fund, but the repayment of principal reduces long-term liabilities in the statement of net position.		4,625,582
Proceeds from the issuance of long-term debt and premium on long-term debt are reported as other financing sources in the governmental funds. In the government-wide statements, proceeds are treated as an increase in long-term liabilities.	(	8,135,502)
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Change in interest payable	(	2,554)
Change in refunding loss	(	114,094)
Change in premiums on issuance of bonds		120,938
Change in deferred outflows related to pensions		1,070,065
Change in deferred inflows related to pensions	(	574,975)
Change in net pension liability		161,454
Change in net OPEB obligation	(	1,380,018)
Change in compensated absences	(	12,408)
Internal service funds are used by management to change the cost of certain activities, such as fleet maintenance and information technology, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.		1,848,387
Change in net position of governmental activities	\$	11,748,626

**The notes to the financial statements are an integral part of this statement.**

## CITY OF LA PORTE, TEXAS

## STATEMENT OF NET POSITION

## PROPRIETARY FUNDS

SEPTEMBER 30, 2015

	Business-Type Activities				Governmental
	Utility	LPAWA	Airport	Totals	Internal Service Fund
Assets					
Current Assets:					
Cash and cash equivalents	\$ 2,785,379	\$ 2,023,597	\$ 254,343	\$ 5,063,319	\$ 4,576,318
Investments	1,547,761	1,568,207	110,274	3,226,242	1,984,507
Accounts receivable, net of allowance for doubtful accounts	1,057,629	162,898	2,375	1,222,902	-
Due from other governments	-	-	-	-	119,927
Accrued interest receivable	1,710	1,610	163	3,483	3,503
Inventories	3,600	-	-	3,600	33,804
Total Current Assets	<u>5,396,079</u>	<u>3,756,312</u>	<u>367,155</u>	<u>9,519,546</u>	<u>6,718,059</u>
Non-Current Assets:					
Capital assets:					
Land and improvements	224,308	-	223,483	447,791	-
Construction in progress	294,387	-	-	294,387	-
Buildings and improvements	57,620	-	-	57,620	-
Improvements other than buildings	67,516,863	15,429,680	5,758,420	88,704,963	-
Vehicles and equipment	3,693,494	6,130	-	3,699,624	16,426,406
Less accumulated depreciation	( 43,774,166)	( 9,555,983)	( 3,788,725)	( 57,118,874)	( 8,286,159)
Total Non-Current Assets	<u>28,012,506</u>	<u>5,879,827</u>	<u>2,193,178</u>	<u>36,085,511</u>	<u>8,140,247</u>
Total Assets	<u>33,408,585</u>	<u>9,636,139</u>	<u>2,560,333</u>	<u>45,605,057</u>	<u>14,858,306</u>
Deferred Outflows of Resources					
Deferred outflows related to pensions	369,512	-	3,313	372,825	-
Total Deferred Outflows of Resources	<u>369,512</u>	<u>-</u>	<u>3,313</u>	<u>372,825</u>	<u>-</u>

## CITY OF LA PORTE, TEXAS

## STATEMENT OF NET POSITION

## PROPRIETARY FUNDS

SEPTEMBER 30, 2015

	Business-Type Activities			Totals	Governmental
	Utility Fund	LPAWA	Airport		Internal Service
					Fund
Liabilities					
Current Liabilities:					
Accounts payable	362,638	381,378	918	744,934	144,805
Accrued liabilities	129,487	-	1,101	130,588	29,951
Accrued interest	1,827	1,371	-	3,198	-
Unearned revenue	-	-	-	-	536
Customer deposits	570,535	-	1,500	572,035	-
Claims and judgements	-	-	-	-	439,693
Long-Term Debt, Current Portion					
Compensated absences	9,246	-	-	9,246	-
Bonds payable	262,500	670,000	-	932,500	-
Total Current Liabilities	<u>1,336,233</u>	<u>1,052,749</u>	<u>3,519</u>	<u>2,392,501</u>	<u>614,985</u>
Non-Current Liabilities:					
Compensated absences	175,670	-	-	175,670	51,683
Net pension liability	1,433,579	-	12,851	1,446,430	-
Net OPEB obligation	1,384,467	-	-	1,384,467	-
Bonds payable	-	345,238	-	345,238	-
Total Non-Current Liabilities	<u>2,993,716</u>	<u>345,238</u>	<u>12,851</u>	<u>3,351,805</u>	<u>51,683</u>
Total Liabilities	<u>4,329,949</u>	<u>1,397,987</u>	<u>16,370</u>	<u>5,744,306</u>	<u>666,668</u>
Deferred Inflows of Resources					
Deferred gain on refundings	-	2,987	-	2,987	-
Deferred inflows related to pensions	60,546	-	543	61,089	-
Total Deferred Inflows of Resources	<u>60,546</u>	<u>2,987</u>	<u>543</u>	<u>64,076</u>	<u>-</u>
Net Position					
Net investment in capital assets	27,750,006	4,864,589	2,193,178	34,807,773	8,140,247
Restricted for debt service	520,000	730,850	-	1,250,850	-
Unrestricted	1,117,596	2,639,726	353,555	4,110,877	6,051,391
Total Net Position	<u>\$ 29,387,602</u>	<u>\$ 8,235,165</u>	<u>\$ 2,546,733</u>	<u>\$ 40,169,500</u>	<u>\$ 14,191,638</u>

The notes to the financial statements are an integral part of this statement.

## CITY OF LA PORTE, TEXAS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Business-Type Activities			Total Enterprise Funds	Governmental Activities
	Utility	LPAWA	Airport		Internal Service Fund
Revenues					
Charges for services	\$ 8,464,804	\$ 1,106,779	\$ 59,181	\$ 9,630,764	\$ 8,452,648
Total Operating Revenues	<u>8,464,804</u>	<u>1,106,779</u>	<u>59,181</u>	<u>9,630,764</u>	<u>8,452,648</u>
Operating Expenses					
Personnel services	3,325,127	-	23,483	3,348,610	712,199
Supplies and materials	475,027	7,985	16,941	499,953	406,452
Purchased water	-	829,346	-	829,346	-
Repairs and maintenance	-	-	-	-	-
Other services and charges	3,182,625	378,230	21,848	3,582,703	6,179,726
Depreciation	<u>2,416,997</u>	<u>464,999</u>	<u>167,734</u>	<u>3,049,730</u>	<u>1,198,953</u>
Total Operating Expenses	<u>9,399,776</u>	<u>1,680,560</u>	<u>230,006</u>	<u>11,310,342</u>	<u>8,497,330</u>
Operating income (loss)	( 934,972)	( 573,781)	( 170,825)	( 1,679,578)	( 44,682)
Non-Operating Revenues (Expenses)					
Investment earnings	11,423	12,663	1,354	25,440	20,317
Gain (loss) on disposal of capital assets	28,087	-	-	28,087	( 109,621)
Interest expense	<u>( 12,790)</u>	<u>( 21,737)</u>	<u>-</u>	<u>( 34,527)</u>	<u>-</u>
Total Non-Operating Revenues (Expenses)	<u>26,720</u>	<u>( 9,074)</u>	<u>1,354</u>	<u>19,000</u>	<u>( 89,304)</u>
Income before contributions and transfers	( 908,252)	( 582,855)	( 169,471)	( 1,660,578)	( 133,986)
Capital contributions	-	787,285	-	787,285	-
Transfers in	2,069,161	-	586	2,069,747	1,995,609
Transfers out	<u>( 563,354)</u>	<u>( 1,305)</u>	<u>( 518)</u>	<u>( 565,177)</u>	<u>( 13,236)</u>
Change in net position	<u>597,555</u>	<u>203,125</u>	<u>( 169,403)</u>	<u>631,277</u>	<u>1,848,387</u>
Total net position - beginning	29,713,640	8,032,040	2,726,894	40,472,574	12,343,251
Prior period adjustment	<u>( 923,593)</u>	<u>-</u>	<u>( 10,758)</u>	<u>( 934,351)</u>	<u>-</u>
Total net position - ending	<u>\$ 29,387,602</u>	<u>\$ 8,235,165</u>	<u>\$ 2,546,733</u>	<u>\$ 40,169,500</u>	<u>\$ 14,191,638</u>

The notes to the financial statements are an integral part of this statement.

## CITY OF LA PORTE, TEXAS

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Business-Type Activities			Governmental Activities	
	Utility	LPAWA	Airport	Total	Internal
				Enterprise Funds	Service Fund
<b>Cash Flows from Operating Activities</b>					
Receipts from customers and users	\$ 8,119,692	\$ 1,126,432	\$ 59,210	\$ 9,305,334	\$ 8,458,823
Disbursed for personnel services	( 3,222,792)	-	( 24,494)	( 3,247,286)	( 847,307)
Disbursed for goods and services	( 3,692,882)	( 880,778)	( 38,822)	( 4,612,482)	( 6,470,549)
Net Cash Provided (Used) by Operating Activities	<u>1,204,018</u>	<u>245,654</u>	<u>( 4,106)</u>	<u>1,445,566</u>	<u>1,140,967</u>
<b>Cash Flows from Noncapital Financing Activities</b>					
Transfers from other funds	2,069,161	-	586	2,069,747	1,995,609
Transfers to other funds	( 563,354)	( 1,305)	( 518)	( 565,177)	( 13,236)
Net Cash Provided by (Used by) Noncapital Financing Activities	<u>1,505,807</u>	<u>( 1,305)</u>	<u>68</u>	<u>1,504,570</u>	<u>1,982,373</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Proceeds from the sale of equipment	28,087	-	-	28,087	( 109,621)
Principal payments on debt	( 670,000)	( 650,000)	-	( 1,320,000)	-
Interest paid on debt	392,883	( 41,838)	-	351,045	-
Acquisition and construction of capital assets, net of dispositions	( 1,049,713)	-	-	( 1,049,713)	( 1,324,155)
Capital contributions from participants for debt service	-	691,785	-	691,785	-
Capital contributions from participants for capital recovery	-	95,500	-	95,500	-
Net Cash Used by Capital and Related Financing Activities	<u>( 1,298,743)</u>	<u>95,447</u>	<u>-</u>	<u>( 1,203,296)</u>	<u>( 1,433,776)</u>
<b>Cash Flows from Investing Activities</b>					
Purchase of investments	( 1,851,586)	( 2,040,923)	( 256,572)	( 4,149,081)	( 4,617,304)
Sale of investments	1,739,281	2,165,668	290,408	4,195,357	4,534,414
Interest received	13,567	12,726	1,380	27,673	18,673
Net Cash Provided by (Used by) Investing Activities	<u>( 98,738)</u>	<u>137,471</u>	<u>35,216</u>	<u>73,949</u>	<u>( 64,217)</u>
Net increase in cash and equivalents	1,312,344	477,267	31,178	1,820,789	1,625,347
Cash and equivalents, beginning of year	<u>1,473,035</u>	<u>1,546,330</u>	<u>223,165</u>	<u>3,242,530</u>	<u>2,950,971</u>
Cash and equivalents, at end of year	<u>\$ 2,785,379</u>	<u>\$ 2,023,597</u>	<u>\$ 254,343</u>	<u>\$ 5,063,319</u>	<u>\$ 4,576,318</u>

## CITY OF LA PORTE, TEXAS

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Business-Type Activities			Governmental Activities	
	Utility Fund	LPAWA	Airport	Total	Internal
				Enterprise Funds	Service Fund
Reconciliation of Operating Income (loss) to Net Cash Provided by Operating Activities					
Operating income (loss)	( 934,972)	( 573,781)	( 170,825)	( 1,679,578)	( 44,682)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	2,416,997	464,999	167,734	3,049,730	1,198,953
(Increase) decrease in accounts receivable	( 367,437)	19,653	29	( 347,755)	6,384
(Increase) decrease in deferred outflow-pensions	( 116,634)	-	( 1,046)	( 117,680)	-
Increase (decrease) in accounts payable	( 35,230)	334,783	( 33)	299,520	115,629
Increase (decrease) in accrued liabilities	15,544	-	( 104)	15,440	5,898
Increase (decrease) in unearned revenue	-	-	-	-	( 209)
Increase (decrease) in customer deposits	22,325	-	-	22,325	-
Increase (decrease) in claims	-	-	-	-	( 135,656)
Increase (decrease) in compensated absences	( 26,516)	-	-	( 26,516)	( 5,350)
Increase (decrease) in net pension liability	( 19,447)	-	( 404)	( 19,851)	-
Increase (decrease) in OPEB obligation	188,842	-	-	188,842	-
Increase (decrease) in deferred inflow-pensions	60,546	-	543	61,089	-
Net Cash Provided (Used) by Operating Activities	\$ 1,204,018	\$ 245,654	\$( 4,106)	\$ 1,445,566	\$ 1,140,967

The notes to the financial statements are an integral part of this statement.

## CITY OF LA PORTE, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of La Porte, Texas (the “City”) was incorporated under the laws of the State of Texas on August 10, 1892. The City operates under a “Council-Manager” form of government and provides the following services as authorized by its charter: public safety, development services, public health and welfare, culture and recreation and waterworks.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to U.S. generally accepted accounting policies (GAAP) applicable to state and local governments which include the principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants and the Financial Accounting Standards Board. The more significant accounting policies of the City are prescribed below.

**A. Reporting Entity**

The City’s basic financial statements include the accounts of all City operations. The City, with its elected governing body of mayor and eight council members, is considered a primary government. As required by GAAP, the basic financial statements include the City and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government’s operations. All component units have been included as blended component units because of the significance of their operations and financial relationships with the City.

The La Porte Area Water Authority (the “Authority”) is governed by a five-member board appointed by the City Council. Although it is a legally separate entity, the Authority provides services almost exclusively for the City’s water operations, and is in substance a part of the City’s primary operations. The Authority was created by the City to finance the operations involved in obtaining surface water supplies and converting these supplies to potable water. This water is sold primarily to the City of La Porte (86%) with the remainder being sold to other neighboring political subdivisions. The operations of the Authority are reported as a proprietary fund type.

The Tax Increment Reinvestment Zone (the “Zone”) is governed by a nine-member board appointed by the City Council. The Zone provides benefits exclusively for the City through reinvestment financing of ad valorem taxes, which are utilized for capital improvements for the City of La Porte. The Zone is presented as a governmental fund type.

The Section 4B Sales Tax Corporation provides services that exclusively benefits the City of La Porte and is governed by a seven-member board appointed by City Council. The Section 4B Sales Tax Corporation is presented as a governmental fund type.

Complete financial statements for each of the individual component units may be obtained through the City of La Porte.

## **B. Government-Wide Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information about the City as a whole. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

## **C. Fund Financial Statements**

The fund financial statements provide information about the City's funds and blended component units. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate funds in the fund financial statements.

The City reports the following major governmental funds:

The *General Fund* is used to account for all financial transactions that are not accounted for in another fund. The principal sources of revenues of the General Fund are property taxes, sales and use taxes, franchise taxes, licenses and permits, and fines and forfeitures. Expenditures are for general government, public safety, public works and other community services.

The *Debt Service Fund* is used to account for the payment of interest and principal on all general long-term debt of the City except for capital leases for which are accounted for in the General Fund. The primary source of revenue for the Debt Service Fund is general property taxes.

The *2015 Certificate of Obligation Bonds Fund* is used to account for bond proceeds and the expenditure of those funds for water and sewer improvements and street and drainage improvements.

The City reports the following major enterprise funds:

- The *Utility Enterprise Fund* is used to account for operations of the water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, but not limited to administration, operations and maintenance of the water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water and sewer debt. All costs are financed through charges to utility customers with rates received regularly and adjusted if necessary to ensure integrity of the fund.
- *La Porte Water Authority* is used to account for revenues and expenses related to obtaining raw surface water and converting it to potable water.
- *Airport Fund* is used to account for financial activities of the airport which includes rentals, grants and other revenues.

Additionally, the City reports the Internal Service Funds which are used to account for the Motor Pool, Technology and Insurance service provide to other departments of the City on a cost reimbursement basis.

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in the governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfer in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

#### **D. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, court fines, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period of availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

## **E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

### **1. Cash and Investments**

Cash includes amounts in demand deposits, short-term investments which mature within ninety days of the fiscal year end, and various petty cash funds. The short-term investments consist of U.S. Treasury Bills and deposits in the Texas Local Government Pool (TexPool), the Local Government Investment Corporation (LOGIC) all of which have the general characteristics of a demand deposit account. For the purpose of the statement of cash flows, Proprietary Fund types consider temporary investments with a maturity of three months or less when purchased to be cash equivalents.

Investments for the City are reported at fair value (generally based on quoted market prices) except for the position in external investment pools. The City’s investment pools operate in a manner consistent with the Securities and Exchange Commission’s (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the City’s investment pools qualify as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

**2. Receivables**

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

**3. Inventories**

Inventories are valued at costs using the first in/first out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased. A portion of the fund balance is classified as non-spendable to reflect minimum inventory quantities considered necessary for the City’s continuing operations.

**4. Capital Assets**

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The City defines capital assets with an initial, individual cost of \$5,000 or greater and an estimated useful life in excess of one year.

As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation.

Land and construction in progress are not depreciated. The remainder capital assets are depreciated using the straight line method over the following estimated useful lives.

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings	20 years
Building improvements	20 years
Infrastructure	20-30 years
Vehicles	4-10 years
Machinery and equipment	4-10 years
Water and sewer systems	20-10 years

## 5. Pensions

For purposes of measuring the net pension liability for the Texas Municipal Retirement System (TMRS), pension related deferred outflows and inflows of resources, and pension expense, City specific information about its Fiduciary Net Position in the TMRS and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension liability for the Texas Emergency Services Retirement System (TESRS), pension related deferred outflows and inflows of resources, and pension expense, information about the fiduciary net position of TESRS and additions to/deductions from TESRS's fiduciary net position have been determined on the same basis as they are reported by TESRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## 6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five year period.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items that qualify for reporting in this category.

- Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

- Deferred gain on refunding - A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the short of the life of the refunded or refunding debt.
- Difference in expected and actual pension experience - This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

## **7. Compensated Employee Absences**

The City's employees earn vacation and sick leave, which may either be taken or accumulated, up to a certain amount, until paid upon termination or retirement. For all funds, this liability reflects amounts attributable to cumulative employee services already rendered, where the payment is probable and can be reasonably estimated. The current and long-term portion of the governmental fund type liabilities are recorded in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The proprietary fund type liability is recorded as a liability in the individual proprietary funds since payment will be made from the resources of these funds.

Policies relating to the accrual payment of these benefits are as follows:

- Vacation – Employees earn from 10-25 days of vacation per year. Upon separation, employees are paid for all accumulated vacation leave (up to one and one half times their annual accrual rate).
- Sick leave – Full time 8 hour employees accrued 3.70 hours per pay period. Full time 24 hour employees accrue 5.91 hours per pay period and civil service employees accrued 15 days per calendar year. The maximum sick leave time which may be accumulated by any employee shall be 90 days for regular full time employees. For 24 hour shift personnel, the maximum accrual is 1,152 hours. Civil service employees may accrue unlimited sick leave.

## **8. Net Position Flow Assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

## 9. Fund Balance Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

## 10. Net Position Classifications

Classification of net position includes three components as follows:

- Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings.
- Restricted – This component of the net position consists of constraints placed on net asset use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through contractual provisions or enabling legislation.
- Unrestricted net position – This component of net position consists of net position that do not meet the definition of “restricted” or “net investment in capital assets.”

## 11. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either comment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for specific purposes determined by a formal action of the City Council, highest level of decision-making-authority. The City Council is the highest level of decision-making-authority for the City that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once, adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amount in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the City Manager under the authorization of the Fiscal Affairs Committee to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's appropriated budget. The City has assigned fund balance in the amount of \$257,147 for general fund encumbrances. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The City strives to maintain a minimum reserve balance of 90 to 120 days for the General Fund and Utility Fund, and 60 to 90 days of operating expenditures in all other funds as outlined in the City's Financial Management Policies as adopted by City Council by resolution.

## **12. Program Revenues**

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues.

## **13. General and Debt Service Property Taxes**

All taxes due to the City on real or personal property are payable at the Office of the City Assessor-Collector and may be paid at any time after the tax rolls for the year have been completed and approved, which is October 1, or as soon thereafter as practicable. Taxes are due upon receipt and all taxes not paid prior to February 1 are deemed delinquent and are subject to such penalty and interest set forth by the Property Tax Code. All property located within the City limits on the first day of January of each year are charged with a special lien in favor of the City from such date for taxes due thereon.

The ad valorem tax rate is allocated each year between the General Fund and the Debt Service Fund. The full amount estimated to be required for debt service on the general obligation debt is provided by the debt service tax together with interest earned in the Debt Service Fund.

## **14. Industrial Payments**

A significant portion of the City's revenue is derived from separate contractual agreements with each industrial company that lies within the City's extraterritorial jurisdiction (known as the "industrial district"). These companies have agreed to pay an amount "in-lieu of taxes" in the unannexed area within the City's extraterritorial jurisdiction. In the current contracts, the entity's agree to pay the City a percentage of what the ad valorem taxes would have been had the entities land, improvements, and inventory been within the corporate limits of the City.

## **15. Proprietary Funds Operating and Nonoperating Revenues and Expenses**

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service fund include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues not meeting this definition are reported as non-operating revenues and expenses.

## **16. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual amounts could vary from those estimates.

## **17. Budgetary Information**

Annual budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the general, special revenue funds and debt service funds. All annual appropriations lapse at fiscal year-end. Project length financial plans are adopted for all capital projects funds and are revised annually.

## **18. Prior Period Adjustment – Change in Accounting Principles**

The GASB has issued Statement No. 68, "*Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*," which became effective for fiscal year 2015. This statement changes the focus of pension accounting for employers from whether they are responsibly funding their plan over time to a point-in-time liability that is reflected in the employer's financial statements for any actuarially unfunded portion of pension benefits earned to date.

The implementation of Statement No. 68 resulted restatement of beginning net position for the elimination of the previously reported net pension obligation, the recording of the beginning net pension liability and the beginning deferred outflow for contributions made after the measurement date. Prospectively applying these changes results in the adjustments below.

	Fund Level			
	Government-wide Statement of Activities		Statement of Revenues, Expenses and Changes in Net Position-Proprietary Funds	
	Governmental Activities	Business-type Activities	Utility Fund	Airport Fund
Net position at September 30, 2014, as previously reported	\$ 84,229,138	\$ 40,472,574	\$ 29,713,640	\$ 2,726,894
Recording of due to developer	( 7,715,193)	-	-	-
Elimination of net pension obligation as of September 30, 2014	2,359,234	276,555	276,555	-
Recording of net pension liability as of September 30, 2014	( 13,101,953)	( 1,466,051)	( 1,453,026)	( 13,025)
Deferral for pension contributions made after the measurement date	<u>2,263,559</u>	<u>255,145</u>	<u>252,878</u>	<u>2,267</u>
Net position at September 30, 2014, as restated	<u>\$ 68,034,785</u>	<u>\$ 39,538,223</u>	<u>\$ 28,790,047</u>	<u>\$ 2,716,136</u>

## II. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

### DEPOSITS AND INVESTMENTS

The Texas Public Funds Investment Act (PFIA), as prescribed in Chapter 2256 of the Texas Government Code, regulates deposits and investment transactions of the City.

In accordance with applicable statutes, the City has a depository contract with an area bank (depository) providing for interest rates to be earned on deposited funds and for banking charges the City incurs for banking services received. The City may place funds with the depository in interest and non-interest bearing accounts. State law provides that collateral pledged as security for bank deposits must have a market value of not less than the amount of the deposits and must consist of: (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas; and/or (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent. City policy requires the collateralization level to be at least 102% of market value of principal and accrued interest.

The Council has adopted a written investment policy regarding the investment of City funds as required by the Public Funds Investment Act (Chapter 2256, Texas Government Code). The investments of the City are in compliance with the City’s investment policy. The City’s investment policy is more restrictive than the PFIA requires. It is the City’s policy to restrict its direct investments to obligations of the U.S. Government or U.S. Government Agencies, fully collateralized certificates of deposit, bankers’ acceptances, mutual funds, repurchase agreements and local government investment pools. The maximum maturity allowed is five years from date of purchase. The City’s investment policy does not allow investments in commercial paper, collateralized mortgage obligations, floating rat investments or swaps.

**Deposit and Investment Amounts**

The City’s cash and investments are classified as: cash and cash equivalents and restricted cash and investments. The cash and cash equivalents include cash on hand, fully collateralized deposits with financial institutions and in a privately-managed public funds investment pool account (TexPool, TexStar and LOGIC). The restricted cash and investments are assets restricted for specific use.

The following schedule shows the City’s recorded cash and investments at year-end:

	<b>Total Fair Value</b>		
	<b>Governmental Funds</b>	<b>Internal Service Funds</b>	<b>Enterprise Funds</b>
Cash deposits	\$ 7,318,055	\$ 404,798	\$ 921,790
Investment Pools	31,230,774	4,330,429	4,298,246
US Agency Securities	14,312,137	1,984,507	3,226,242
	<u>\$ 52,860,966</u>	<u>\$ 6,719,734</u>	<u>\$ 8,446,278</u>

**Interest Rate Risk**

At year-end, the City had the following investments subject to interest rate risk disclosure, under U.S. GAAP, by investment type:

<b>Investment Type</b>	<b>Total Fair Value</b>	<b>Weighted Average Maturity (months)</b>
Public funds investment pools	\$ 39,859,449	1.0
Federal Home Loan Mortgage Corporation (FHLMC)	4,004,878	30.5
Federal Farm Credit Bank (FFCB)	7,504,114	25.6
Federal Home Loan Bank (FHLB)	8,013,894	27.8
Total fair value	<u>\$ 59,382,335</u>	
Portfolio weighted average maturity		9.7

The City’s investment policy specifies the maximum stated maturity from the date of purchase for any individual investments may not exceed 5 years and the maximum dollar weighted average maturity for the pooled fund group (investment portfolio) may not exceed 2 years.

### Concentration of Credit Risk

The policy does not require investments to be staggered in a way that protects interest income from the volatility of interest rates. The policy has not established limitations on percentages of the total portfolio that may be invested in securities other than the repurchase agreements, Treasury bills and notes or insured and collateralized Certificates of Deposits.

Investment Type	Total Fair Value	Percentage of Total Portfolio
Investment Pools	\$ 39,859,449	67.12 %
US Agency Securities	19,522,886	32.88 %
Total	\$ 59,382,335	100.00 %

### Credit Risk

The primary objective of the City's adopted Investment Policy is the safety of principal. Credit risk within the City's portfolio among authorized investments approved by the City's adopted Investment Policy is represented in U.S. Treasury Bills, Notes or Bonds, and other securities which are guaranteed as to principal and interest by the full faith and credit of the United States of America, collateralized or fully insured certificates of deposits, FDIC insured banks in the State of Texas, repurchase agreements if secured by U.S. Treasury Bills, Notes or Bonds and Public Funds Investment Pools.

**PROPERTY TAX**

The appraisal of property within the City is the responsibility of the Harris County Appraisal District (the "Appraisal District"). The Appraisal District is required under the Property Tax Code to appraise all property within the county on the basis of 100% of its market value. The value of real property within the Appraisal District must be reviewed every five years; however, the City may, at its own expense, require annual reviews of appraised values. The City may challenge appraised values established by the Appraisal District through various appeals and, if necessary, take legal action. Under this legislation, the City continues to set tax rates on City property. However, if the effective tax rate, excluding tax rates for repayment of general obligation bonds and other contractual obligations, adjustment for new improvements, exceeds the effective tax rate and the rollback rate tax rate, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than the rollback tax rate. The City's property taxes are levied annually in October on the basis of the Appraisal District's assessed values as of January 1 of that calendar year. Appraised values are established by the Appraisal District at market value, assessed at 100% of appraised value and certified by the Harris County Appraisal District Board of Review. The City property taxes are billed and collected by the City's Tax Assessor/Collector. Such taxes are applicable to the fiscal year in which they are levied and become delinquent with an enforceable lien on property on February 1 of the current calendar year. The City is permitted, by Article XI, Section 5, of the State of Texas Constitution and the City Charter, to levy property taxes up to \$2.50 per \$100 of assessed valuation for general governmental services. Within the \$2.50 maximum levy, there is no legal limit upon the amount of property taxes, which can be levied for debt service. The property tax rates to finance general governmental services and debt service for fiscal year 2015 were \$0.605 and \$0.105, respectively, per \$100 of assessed valuation. The 2014 assessed value and total tax levy as adjusted through September 30, 2015 were \$3,194,726,712 and \$19,514,402 respectively. The City has enacted an ordinance providing for exemption of twenty percent (20%) of the assessed value of residential homesteads plus an additional \$60,000 for persons 65 years of age or older for property taxes. An exemption of \$60,000 is allowed for disabled persons on homesteads and up to \$12,000 is allowed for disabled veterans on any one piece of property. Additionally, the market value of agricultural land is reduced to agricultural value for purposes of the City's tax levy calculation.

Property taxes are levied by October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. The Harris County Central Appraisal District ("HCCAD") establishes appraised values. Taxes are levied by the City Council based on the appraised values and operating needs of the City.

## RECEIVABLES

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the General Fund, Debt Service Fund, 2015 Certificate of Obligation Bonds Fund and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts.

	General	Debt Service	2015 Certificate of Obligation Bonds	Other Governmental	Total Governmental
Receivables:					
Taxes	\$ 1,983,367	\$ 123,516	\$ -	\$ 894,821	\$ 2,106,883
Bonds	-	-	8,000,000	-	8,000,000
Mowing and demolition	560,729	-	-	-	560,729
EMS	1,859,275	-	-	-	1,859,275
Solidwaste	139,237	-	-	-	139,237
Municipal court	557,855	-	-	-	557,855
Other	211,187	-	-	14,846	211,187
Interest	15,875	171	-	5,164	16,046
Allowance for uncollectibles	( 1,234,614)	( 83,606)	-	-	( 1,318,220)
	<u>\$ 4,092,911</u>	<u>\$ 40,081</u>	<u>\$ 8,000,000</u>	<u>\$ 914,831</u>	<u>\$ 12,132,992</u>

Revenues of the Utility Fund, an enterprise fund, are reported net of uncollectible amounts. Total uncollectible amount related to utility sales as of year-end was \$10,906.

## CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2015, was as follows:

	Balance September 30, 2014	Increases	Reclassification/ (Decreases)	Balance September 30, 2015
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 9,556,199	\$ -	\$( 30,225)	\$ 9,525,974
Construction in progress	<u>11,740,161</u>	<u>4,729,048</u>	<u>( 10,000)</u>	<u>16,459,209</u>
Total capital assets, not being depreciated	<u>21,296,360</u>	<u>4,729,048</u>	<u>( 40,225)</u>	<u>25,985,183</u>
Capital assets, being depreciated:				
Buildings and improvements	37,088,150	15,471	( 246,098)	36,857,523
Improvements other than buildings	25,172,892	1,185,127	( 63,299)	26,294,720
Infrastructure	40,037,295	354,594	-	40,391,889
Machinery and equipment	<u>20,429,073</u>	<u>1,715,862</u>	<u>( 1,220,340)</u>	<u>20,924,595</u>
Total capital assets, being depreciated	<u>122,727,410</u>	<u>3,271,054</u>	<u>( 1,529,737)</u>	<u>124,468,727</u>
Less accumulated depreciation for:				
Buildings and improvements	( 17,837,689)	( 1,386,664)	201,808	( 19,022,545)
Improvements other than buildings	( 11,147,280)	( 295,316)	64,983	( 11,377,613)
Infrastructure	( 25,777,110)	( 1,534,549)	-	( 27,311,659)
Machinery and equipment	<u>( 10,725,329)</u>	<u>( 1,535,696)</u>	<u>996,442</u>	<u>( 11,264,583)</u>
Total accumulated depreciation	<u>( 65,487,408)</u>	<u>( 4,752,225)</u>	<u>1,263,233</u>	<u>( 68,976,400)</u>
Total capital assets being depreciated, net	<u>57,240,002</u>	<u>( 1,481,171)</u>	<u>( 266,504)</u>	<u>55,492,327</u>
<b>Totals</b>	<u>\$ 78,536,362</u>	<u>\$ 3,247,877</u>	<u>\$( 306,729)</u>	<u>\$ 81,477,510</u>
	<b>Balance</b> <b>September 30,</b> <b>2014</b>	<b>Increases</b>	<b>Reclassification/ (Decreases)</b>	<b>Balance</b> <b>September 30,</b> <b>2015</b>
<b>Business-Type Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 427,812	\$ -	\$ 19,979	\$ 447,791
Construction in progress	<u>177,974</u>	<u>148,913</u>	<u>( 60,837)</u>	<u>266,050</u>
Total capital assets, not being depreciated	<u>605,786</u>	<u>148,913</u>	<u>( 40,858)</u>	<u>713,841</u>
Capital assets, being depreciated:				
Buildings and improvements	57,620	-	-	57,620
Improvements other than buildings	87,942,803	756,639	5,522	88,704,964
Machinery and equipment	<u>3,555,214</u>	<u>144,410</u>	<u>-</u>	<u>3,699,624</u>
Total capital assets, being depreciated	<u>91,555,637</u>	<u>901,049</u>	<u>5,522</u>	<u>92,462,208</u>
Less accumulated depreciation for:				
Buildings and improvements	( 49,888)	( 1,103)	-	( 50,991)
Improvements other than buildings	( 53,597,352)	( 2,152,305)	6,750	( 55,742,907)
Machinery and equipment	<u>( 428,655)</u>	<u>( 896,322)</u>	<u>-</u>	<u>( 1,324,977)</u>
Total accumulated depreciation	<u>( 54,075,895)</u>	<u>( 3,049,730)</u>	<u>6,750</u>	<u>( 57,118,875)</u>
Total capital assets being depreciated, net	<u>37,479,742</u>	<u>( 2,148,681)</u>	<u>12,272</u>	<u>35,343,333</u>
<b>Totals</b>	<u>\$ 38,085,528</u>	<u>\$( 1,999,768)</u>	<u>\$( 28,586)</u>	<u>\$ 36,057,174</u>

Depreciation was charged to functions/programs of the governmental activities of the primary government as follows:

General government	\$	591,147
Public safety		1,077,770
Public works		1,010,014
Parks and recreation		874,341
Capital assets held by the City's internal service funds are charged to various functions based on their usage of the assets		<u>1,198,953</u>
Total governmental activities	\$	<u><u>4,752,225</u></u>

Construction contract commitments outstanding as of September 30, 2015, are as follows:

Fund	Project	Total In Progress	Remaining Commitment
General CIP Fund	Animal shelter	\$ 1,308,185	\$ 3,178
General CIP Fund	Street and drainage	6,340,241	45,829
Drainage Improvements	Drainage Improvements	8,754,518	48,526
Utility Fund	Infiltration and inflow reduction	173,812	140,228
Sewer Fund	Water well control replacement	-	<u>212,433</u>
Totals		<u>\$ 16,576,756</u>	<u>\$ 450,194</u>

### LONG-TERM DEBT

The City issues a variety of long-term debt instruments in order to acquire and/or construct major capital facilities and equipment for governmental and business-type activities. These instruments include general obligation bonds, certificates of obligation and revenue bonds. Future ad valorem tax revenues, water and sewer system revenues or liens on property and equipment secure these debt obligations.

The schedule below details the terms of public property finance contractual obligation, general obligation bonds, certificates of obligations and revenue bonds outstanding as of September 30, 2015:

	<u>Governmental</u>	<u>Business-Type</u>
2002 Limited Tax Bonds due in annual installments of \$270,000 through March 15, 2025; interest at 4.25% to 5%; \$5,000,000 issued for wastewater treatment plant and fire station improvements.	\$ 270,000	\$ -
2005 General Obligation Serial Bonds due in annual payments through March 15, 2025; interest at 3.75% to 4.25% \$7,675,000 issued to construct a police facility.	780,000	-
2005 Certificates of Obligation due in annual payments through March 15, 2025; interest at 2.8% to 3.8% \$1,800,000 issued for water and sewer improvements and fire truck.	180,000	-
2006 Public Property Finance Contractual Obligation due in annual payments through January 25, 2016; interest at 3.74% \$2,625,000 issued for automated meter replacement program.	-	262,500
2006 General Obligation Serial Bonds due in annual payments through March 15, 2025; interest at 3.75% to 4.3% \$5,765,000 issued for police facility, sports, and water and sewer improvements.	205,000	-
2006 Certificates of Obligation due in annual payments through March 15, 2025; interest at 3.75% to 4.3% \$5,765,000 issued for police facility, sports and water and sewer improvements.	615,000	-
2007 Certificates of Obligation due in annual payments through March 15, 2029; interest at 4.00% to 4.25% \$8,075,000 issued for wastewater treatment plant improvements, sports complex and golf cart path improvements.	3,760,000	-
2010 Certificates of Obligation due in annual payments through March 15, 2026; interest at 3.00% to 4.00% \$6,265,000 issued for street, drainage, and park improvements.	4,905,000	-
2010 General Obligation Refunding Bonds due in annual payments through March 15, 2020; interest at 2.00% to 4.00% \$4,295,000 issued to refund previous debt.	2,175,000	-
2010 LPAWA Contract Revenue Refunding Bonds due in annual payments through March 15, 2017; interest at 2.50% to 4.00% \$4,085,000 issued to refunding previous debt.	-	990,000
2012 General Obligation Refunding Bonds due in annual payments through March 15, 2025; interest at .65% to 3.00% \$9,435,000 issued to refund previous debt.	9,205,000	-
2014 General Obligation Refunding Bonds due in annual payments through March 15, 2025; interest at 2.00% to 3.50% \$9,300,000 issued to refunding previous debt.	8,585,000	-
2015 Certificates of Obligation due in annual installments through March 15, 2030; interest at 2.25% to 3.00% \$7,770,000 issued for water and sewer system improvements, and street and drainage improvements.	<u>7,770,000</u>	<u>-</u>
<b>Total Bonds Payable</b>	<b>\$ <u>38,450,000</u></b>	<b>\$ <u>1,252,500</u></b>

Changes in the City's long-term liabilities for the year ended September 30, 2015 are as follows:

	Balance September 30, 2014	Additions	(Reductions)	Balance September 30, 2015	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Bonds payable:					
General obligation bonds	\$ 23,110,000	\$ -	\$( 1,890,000)	\$ 21,220,000	\$ 1,540,000
Certificates of obligation	10,845,000	7,770,000	( 1,385,000)	17,230,000	1,475,000
Premium on bond issuance	1,155,953	365,502	( 120,938)	1,400,517	-
Total bonds payable	<u>35,110,953</u>	<u>8,135,502</u>	<u>( 3,395,938)</u>	<u>39,850,517</u>	<u>3,015,000</u>
Due to developers	8,137,434	-	( 1,350,582)	6,786,852	-
Retainage payable	-	301,410	-	301,410	-
Compensated Absences	3,155,623	103,259	( 96,201)	3,162,681	158,134
Net pension liability-TMRS	13,006,317	2,989,768	( 3,163,839)	12,832,246	-
Net pension liability-TESRS	137,493	19,580	( 26,055)	131,018	-
Net OPEB obligation	9,039,462	2,049,881	( 669,863)	10,419,480	-
<b>Total Governmental Activities</b>	<u>\$ 68,587,282</u>	<u>\$ 13,599,400</u>	<u>\$( 8,702,478)</u>	<u>\$ 73,484,204</u>	<u>\$ 3,173,134</u>
<b>Business-Type Activities:</b>					
Bonds Payable:					
Revenue bonds	\$ 1,640,000	\$ -	\$( 650,000)	\$ 990,000	\$ 670,000
Public property finance certificates of obligation	525,000	-	( 262,500)	262,500	262,500
Premium on bond issuance	42,550	-	( 17,312)	25,238	-
Total Bonds Payable	<u>2,207,550</u>	<u>-</u>	<u>( 929,812)</u>	<u>1,277,738</u>	<u>932,500</u>
Compensated absences	211,432	14,779	( 41,295)	184,916	9,246
Net pension liability-TMRS	1,466,051	337,001	( 356,622)	1,446,430	-
Net OPEB obligation	1,195,625	361,744	( 172,902)	1,384,467	-
<b>Total Business-Type Activities</b>	<u>\$ 5,080,658</u>	<u>\$ 713,524</u>	<u>\$( 1,500,631)</u>	<u>\$ 4,293,551</u>	<u>\$ 941,746</u>

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. Compensated absences generally are paid by the General Fund for the governmental activities. Net pension liability and OPEB obligation are liquidated by the general fund, and retainage payable is liquidated by capital project fund and the grant fund.

### General Obligation Bonds and Certificates of Obligation

General Obligation Bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the City. General Obligations bonds and Certificates of Obligation require the City to compute, at the time other taxes are levied, the rate of tax required to provide (in each years bonds are outstanding) a fund to pay interest and principal maturity. The City is in compliance with this requirement.

## Revenue Bonds

Water and Sewer Revenue Bonds constitute special obligations of the City solely secured by a lien on and pledge of the net revenues of water and sewer system. On May 31, 2010, the La Porte Water Authority issued \$4.085 million Contract Revenue Refunding Bonds, Series 2010, to defease \$2.95 million of unlimited tax bonds. The Revenue Bonds are collateralized by the net revenue of the La Porte Area Water Authority and are payable through September 30, 2017. The ordinances provide that the revenue of the system is to be used first to pay operating and maintenance expenses of the system and second to establish and maintain the Revenue Bond funds. Remaining revenues may then be used for any payments expected to require 64 percent of net revenues. Principal and interest paid for the current year and net system revenues were \$691,838 and \$691,166. The ordinances also contain provisions, which, among other items, restrict the issuance of additional Revenue Bonds unless the special funds noted above contain the require amounts and certain financial ratios are met. The City is in compliance with all significant financial requirements of as September 30, 2015.

The debt service requirements for each of the City's bond type are as follows:

Fiscal Year	Governmental Activities			
	General Obligation Bonds		Certificate of Obligation	
	Principal	Interest	Principal	Interest
2016	\$ 1,540,000	\$ 625,860	\$ 1,475,000	\$ 549,833
2017	1,395,000	577,192	1,480,000	516,693
2018	1,855,000	526,972	1,115,000	468,512
2019	2,470,000	464,881	770,000	434,362
2020	2,465,000	391,250	800,000	406,637
2021	2,270,000	318,600	830,000	377,837
2022	2,335,000	249,525	855,000	348,900
2023	2,395,000	178,575	885,000	319,582
2024	2,460,000	103,225	915,000	288,635
2025	2,035,000	31,900	1,445,000	245,710
2026	-	-	1,495,000	192,348
2027	-	-	1,445,000	143,368
2028	-	-	1,485,000	97,393
2029	-	-	1,535,000	47,535
2030	-	-	700,000	10,500
	<u>\$ 21,220,000</u>	<u>\$ 3,467,980</u>	<u>\$ 17,230,000</u>	<u>\$ 4,447,845</u>

Fiscal Year	Business-Type Activities			
	Contract Revenue Bonds		Public Property Finance CO	
	Principal	Interest	Principal	Interest
2016	\$ 670,000	\$ 22,850	\$ 262,500	\$ 4,909
2017	320,000	6,400	-	-
	<u>\$ 990,000</u>	<u>\$ 29,250</u>	<u>\$ 262,500</u>	<u>\$ 4,909</u>

**Prior Year Refunding of Debt**

The City defeased certain outstanding revenue bonds by placing proceeds of new bonds in irrevocable trust to provide for all future debt service payments. Accordingly, the respective trust accounts and liability for the defeased bond are not included in the City’s financial statements. As of September 30, 2015, the City does not have bonds considered defeased and outstanding.

**Due to Developers**

The TIRZ is a party to several agreements with Developers who own property in the La Porte Tax Increment Zone. The TIRZ is obligated to repay the Developers for public improvements made on the property up to the amount of incremental tax value gained.

The Authority has entered into agreements with the following Developers: Port Crossing Land, LP; 65 La Porte, Ltd.; and Retreat at Bay Forest, LP. Port Crossing Land, LP has completed the public improvements detailed in the agreement with the Authority.

Port Crossing Land, LP’s reimbursable expenditures totaled \$12,096,488 including interest at May 27, 2009. In the current fiscal year, the Developer was reimbursed \$1,147,826. To date, reimbursements in the amount of \$7,485,154 have been made to Port Crossing and, LP for incremental tax value gained. Interest was recalculated, and payments were applied to interest first, then principal.

Retreat at Bay Forest, LP’s reimbursable expenditures totaled \$224,760, including interest of \$36,885 for the pilot channel and excavation costs as of November 20, 2013. No additional interest will be due under the agreement. During the current fiscal year, a reimbursement of \$17,795 was applied to principal.

In addition, two Developers have signed Development Agreements but have not submitted costs for reimbursements of their projects. Estimated costs, based on agreements, are as follows:

65 La Porte, Ltd.	\$	7,103,500
Beazer Homes Texas, LP		2,097,297

Under the agreements, the amount shown is not a payable debt if the tracts do not generate tax increment sufficient to pay the accrued amount, therefore, a liability has not been recorded in the City’s financial statements at year end.

**INTERFUND BALANCES AND ACTIVITY**

The composition of interfund balances as of year-end are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amounts</u>	<u>Purpose</u>
Other governmental	Other governmental	\$ 532,813	Sewer improvements paid by 2006 Certificates of Obligation Fund that will be reimbursed by the TIRZ Fund.

The composition of interfund transfers for the year are as follows:

Transfers From	Transfers To						Totals
	General	Debt Service	Other Governmental	Utility	Airport	Internal Service	
General Fund	\$ -	\$ -	\$ 812,498	\$ 2,069,161	\$ 586	\$ 1,932,839	\$ 4,815,084
Other Governmental	57,500	1,333,833	350,000	-	-	-	1,741,333
Utility	-	515,643	-	-	-	47,711	563,354
LPAWA	-	-	-	-	-	1,305	1,305
Airport	-	-	-	-	-	518	518
Internal Service	-	-	-	-	-	13,236	13,236
Totals	\$ 57,500	\$ 1,849,476	\$ 1,162,498	\$ 2,069,161	\$ 586	\$ 1,995,609	\$ 7,134,830

Under the agreements, the amount shown is not a payable debt if the tracts do not generate tax increment sufficient to pay the accrued amount, therefore, a liability has not been recorded in the City's financial statements at yearend.

The purpose of interfund transfers during the current year consisted of the following:

Transfers From	Transfers To	Amount	Purpose
Utility Fund	Debt Service Fund	\$ 515,643	Annual transfer for debt service
Utility Fund	Insurance Fund	47,711	Transfer for liability insurance and workers comp
Airport Fund	Insurance Fund	518	Transfer for liability insurance and workers comp
La Porte Area Water Authority	Insurance Fund	1,305	Transfer for liability insurance and workers comp
Vehicle Maintenance Fund	Insurance Fund	13,236	Transfer for liability insurance and workers comp
Hotel/Motel Fund	General CIP Fund	175,000	Transfer for capital projects
Hotel/Motel Fund	General Fund	57,500	Transfer for golf course advertising and City bordering bay for golf expenditures
General Fund	Insurance Fund	416,876	Transfer for liability insurance and workers comp
General Fund	Insurance Fund	1,500,000	Transfer for health insurance
General Fund	General CIP Fund	809,948	Transfer for capital projects
General Fund	Airport Fund	586	Transfer for pay adjustments
General Fund	Utility Fund	2,000,000	Transfer for capital projects
General Fund	Utility Fund	69,161	Transfer for pay adjustments
General Fund	Vehicle Maintenance	15,963	Transfer for pay adjustments
General Fund	Hotel/Motel Fund	2,550	Transfer for pay adjustments
La Porte Development Corporation (4B)	Debt Service Fund	1,083,817	Transfer for debt service
General CIP Fund	La Porte Development Corporation (4B)	175,000	Repayment of funds for canceled project
2000 Certificate of Obligation Fund	Debt Service Fund	16	Transfer for debt service
2006 Certificate of Obligation Fund	Debt Service Fund	250,000	Transfer for debt service
	Total transfers	\$ 7,134,830	

## DEFINED BENEFIT PENSION PLAN – TEXAS MUNICIPAL RETIREMENT SYSTEM

### Plan Descriptions

The City participates as one of 860 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agency multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Sections 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmr.org](http://www.tmr.org).

All eligible employees of the City are required to participate in TMRS.

**Benefits Provided**

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee’s contributions, with interest, and the City-financed monetary credits, with interest, were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member’s deposits and interest.

The City has approved an annually repeating (automatic) basis a monetary credit referred to as an updated service credit (USC) which is a theoretical amount which takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, City provides on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

A summary of plan provisions for the City are as follows:

Employee deposit rate	7.0%
Matching ratio (City to employee)	2 to 1
Years required for vesting	10
Service retirement eligibility	20 years to any age, 10 years at age 60 and above
Updated service credit	100% repeating
Annuity increase to retirees	70% of CPI, repeating

***Employees covered by benefit terms***

At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	174
Inactive employees entitled to but not yet receiving benefits	127
Active employees	<u>373</u>
	<u><u>674</u></u>

## Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are with 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contributions rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7.0% of their annual gross earnings during the fiscal year. The contribution rates for the City were 17.00% and 16.12% in calendar years 2014 and 2015, respectively. The City's contributions to TMRS for the year ended September 30, 2015, were \$3,489,187, and were equal to the required contributions.

## Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2014, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

### *Actuarial assumptions:*

The Total Pension Liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0% per year
Overall payroll growth	3.0% per year
Investment rate of return	7.0%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2014 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2006 through December 31, 2009, first used in the December 31, 2010 valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering the 2009 through 2011, and the dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation.

The long-term expected rate of return on pension plan investments is 7.0%. The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates return for each major assets class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.80%
International Equity	17.5%	6.05%
Core Fixed Income	30.0%	1.50%
Non-Core Fixed Income	10.0%	3.50%
Real Return	5.0%	1.75%
Real Estate	10.0%	5.25%
Absolute Return	5.0%	4.25%
Private Equity	5.0%	8.50%
Total	100.0%	

***Discount Rate***

The discount rate used to measure the Total Pension Liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

**Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2013	\$ 130,990,617	\$ 116,518,249	\$ 14,472,368
Changes for the year:			
Service cost	3,045,776	-	3,045,776
Interest	9,108,178	-	9,108,178
Difference between expected and actual experience	( 761,946)	-	( 761,946)
Contributions - employer	-	3,534,991	( 3,534,991)
Contributions - employee	-	1,460,768	( 1,460,768)
Net investment income	-	6,665,254	( 6,665,254)
Benefit payments, including refunds of employee contributions	( 4,793,355)	( 4,793,355)	-
Administrative expense	-	( 69,591)	69,591
Other changes	-	( 5,722)	5,722
Net changes	<u>6,598,653</u>	<u>6,792,345</u>	<u>( 193,692)</u>
Balance at 12/31/2014	<u>\$ 137,589,270</u>	<u>\$ 123,310,594</u>	<u>\$ 14,278,676</u>

The following presents the net pension liability of the City, calculated using the discount rate of 7.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) of 1-percentage-higher (8.0%) than the current rate:

	1% Decrease in Discount Rate (6.0%)	Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
City's net pension liability	\$ 34,616,051	\$ 14,278,676	\$( 2,301,968)

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. The report may be obtained on the Internet at [www.tmrs.org](http://www.tmrs.org).

## Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2015, the City recognized pension expense of \$2,751,526. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 603,045
Difference between projected and actual investment earnings	1,192,818	-
Contributions subsequent to the measurement date	2,487,429	-
Totals	<u>\$ 3,680,247</u>	<u>\$ 603,045</u>

\$2,487,429 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

For the Year Ended September 30,	
2016	\$ 139,304
2017	139,304
2018	139,304
2019	171,861

### Subsequent Event

Pursuant to TMRS policy of conducting experience studies every four years, the TMRS Board at their July 31, 2015 meeting determined that they would be changing certain actuarial assumptions including reducing the long term expected rate of return from the current 7% to 6.75% and changing the inflation assumption from 3% to 2.5%. Reduction of expected investment return and related discount rate will increase projected pension liabilities. Reducing the inflation assumption reduces liabilities as future annuity levels and future cost of living adjustments are not projected to be a large as originally projected. While the actual impact on the City's valuation for December 31, 2015 is not known the City does expect some downward pressure on its funded status and upward pressure on its 2017 actuarially determined contribution (ADC) due to this change.

**DEFINED BENEFIT PENSION PLAN – TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM****Plan Description**

The City participates in the Texas Emergency Services Retirement System (TESRS), a cost-sharing multiple-employer defined benefit pension established and administered by the State of Texas. The TESRS is an agency of the State of Texas and its financial records comply with state statutes and regulations. The nine members Board of Trustees, appointed by the Governor, establishes policy for the administration of the Texas Emergency Services Retirement System. TESRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tesrs.org](http://www.tesrs.org).

The TESRS was created as a standalone agency by the 83rd Legislature via the passage of SB 220, effective September 1, 2013, to assume the related functions of the abolished Office of the Fire Fighters' Pension Commissioner. While the agency is new, the System has been in existence since 1977. TESRS, which is under the authority of Title 8, Subtitle H, Chapters 861-865 of the Texas Government Code, provides death and disability benefits to active volunteer fire fighters and first responders, and a pension to members with vested service, as well as to their survivor/beneficiaries.

**Pension Plan Fiduciary Net Position**

For financial reporting purposes, the State of Texas is considered the primary reporting government. TESRS' financial statements are included in the State's Comprehensive Annual Financial Report. TESRS issues a publicly available Annual Financial Report, which includes financial statements, notes, and required supplementary information, which can be obtained at [www.tesrs.org](http://www.tesrs.org).

**Benefits Provided**

Senate Bill 411, 65th Legislature, Regular Session (1977), created TESRS and established the applicable benefit provisions. The 79th Legislature, Regular Session (2005), re-codified the provisions and gave the TESRS Board of Trustees authority to establish vesting requirements, contribution levels, benefit formulas, and eligibility requirements by board rule. The benefit provisions include retirement benefits as well as death and disability benefits. Members are 50% vested after the tenth year of service, with the vesting percent increasing 10% for each of the next five years of service so that a member becomes 100% vested with 15 years of service.

Upon reaching age 55, each vested member may retire and receive a monthly pension equal to his vested percent multiplied by six times the City's average monthly contribution over the member's years of qualified service. For years of service in excess of 15 years, this monthly benefit is increased at the rate of 6.2% compounded annually. There is no provision for automatic postretirement benefit increases.

On and off-duty death benefits and on-duty disability benefits are dependent on whether or not the member was engaged in the performance of duties at the time of death or disability. Death benefits include a lump sum amount or continuing monthly payments to a member's surviving spouse and dependent children.

## **Contributions**

Contributions are made by the City for the participating employees. No contributions are required from the individuals who are members of the TESRS, nor are they allowed. The City is required to make contributions for each month an employee of the plan this minimum contribution is \$36 per member. Contributions to the pension plan for the year ended September 30, 2015, were \$48,820.

## **Actuarial Assumptions**

The total pension liability in the August 31, 2014, actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.50%
Salary increases	None
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Healthy Lives Mortality Tables for males and for females projected to 2018 by scale AA.

The actuarial assumptions used in the August 31, 2014, valuation were based on the results of an actuarial experience study for the period completed in 2008.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future net real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These components are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (3.50%). In addition, the final 7.75% assumption reflected a reduction of 0.20% for adverse deviation. The target allocation and expected arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Portfolio Real Rate of Return
Equities:		
Large cap domestic	32.0%	5.2%
Small cap domestic	10.0%	5.8%
Developed international	21.0%	5.5%
Emerging markets	6.0%	5.4%
Master limited partnership	5.0%	7.1%
Fixed income:		
Domestic	21.0%	1.4%
International	5.0%	1.6%
Cash	0.0%	0.0%
Total	100.0%	

### Discount Rate

The discount rate used to measure the total pension liability was 7.75%. No projection of cash flows was used to determine the discount rate because the August 31, 2014 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 30 years using the conservative level dollar amortization method. That UAAL was based on an actuarial value of assets that was \$7.9 million less than the plan fiduciary net position as of August 31, 2014. Because of the 30-year amortization period with the conservative amortization method and with a lower value of assets, the pension plan's fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the City's proportionate share of the net pension liability, calculated using the discount rate of 7.75%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.75%) or 1 percentage point higher (8.75%) than the current rate:

	1% Decrease in Discount Rate (6.75%)	Discount Rate (7.75%)	1% Increase in Discount Rate (8.75%)
City's proportionate share of the net pension liability	\$ 269,987	\$ 131,018	\$ 49,937

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At September 30, 2015, the City reported a liability of \$131,018 for its proportionate share of the TESRS's net pension liability. The net pension liability was measured as of August 31, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to contributions of all participating employers to the plan for the period September 1, 2013 through August 31, 2014.

At August 31, 2014 the City's proportion of the collective net pension liability was 0.721%. Since this is the first year of implementation, the City does not have the proportion measured as of August 31, 2013. The change in proportion was immaterial and therefore disregarded this year.

For the year ended September 30, 2015, the City recognized TESRS pension expense of \$19,580. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual investment earnings	\$ -	\$ 33,018
Contributions paid to TESRS subsequent to the measurement date	48,820	-
Total	\$ 48,820	\$ 33,018

\$48,820 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended September 30,	Pension Expense Amount
2016	\$ 8,255
2017	8,255
2018	8,254
2019	8,254

## RISK MANAGEMENT

The City is expected to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City's risk management program encompasses various means of protecting the City against loss by obtaining property, casualty and liability coverage from participation in a risk pool. The participation of the City in the risk pool is limited to the payment of premiums. The City is a member of the Texas Municipal League Intergovernmental Risk Pool, an unincorporated association of 1,860 political subdivisions of the State of Texas. The Pool contracts with a third party administrator for administration, investigation and adjustment services in the handling of claims. All loss contingencies, including claims incurred but not reported, if any, are recorded and accounted for by the Pool. Settled claims have not exceeded insurance coverage in any of the three previous fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

The insurance internal service fund is funded by charges to the City's other funds and component units, and is based primarily upon the contributing funds' full-time employee count. The City self-insures a portion of health insurance benefits provided to employees. For health insurance the City retains the risk for the first \$165,000 of an individual claim. Excess insurance coverage is purchased to cover individual claims in excess of \$165,000 with a limit of \$1,000,000 per coverage period.

Activities during the year for the insurance internal service fund included:

Revenues	
Charges to divisions	\$ 4,762,145
Interfund transfers	1,979,646
Charges to employees	438,094
Charges to retirees	104,529
Cobra charges	8,144
Interest revenue	5,528
Total revenues	<u>\$ 7,298,086</u>
Expenses	
Other expenses	\$ 85,133
Claims administration	178,109
Claims incurred	4,762,880
Re-insurance premiums	414,683
Insurance premiums	626,638
Total expenses	<u>\$ 6,067,443</u>

Liabilities of the insurance fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as, inflation, changes in legal requirements and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-offs), and other economic and social factors. These estimate of the claims also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expense regardless of whether allocated to specific claims.

Changes in the balance of health insurance claims liability for three fiscal years are as follows:

	Beginning of Year Accrual	Claims	Payments for Claims	End of Year Accrual
9/30/2013	\$ 499,446	\$ 4,096,890	\$ 4,115,752	\$ 480,584
9/30/2014	480,584	5,580,398	5,485,633	575,349
9/30/2015	575,349	4,762,880	4,898,536	439,693

**CONTINGENCIES**

The City is a defendant in lawsuits. Although the outcome of the lawsuits is not presently determinable, it is the opinion of the City’s management the resolution of these matters will not have a materially adverse effect on the financial condition of the City.

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the City’s compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, will be immaterial.

**POST-EMPLOYMENT BENEFITS**

*Plan Description.* In addition to pension benefits described in Note VI, employees who retire from the City and are eligible for pension benefits shall be provided medical coverage by the City to the extent and subject to the conditions of such coverage that is provided to current employees of the City. The City administers the single-employer defined benefit medical plan (“the Retiree Medical Plan”). The plan provides medical coverage for eligible retirees and their dependents through the City’s self-health insurance plan, which covers both active and retired members. Benefit provisions are established and amended by City Council. The Retiree Medical Plan does not issue a publicly available financial report.

*Funding Policy.* This coverage for retired employees is provided at the option of the City Council through adoption of the annual budget. The City funds these premiums in the same manner as it funds similar premiums for current employees. Employees, who retired from the City before October 1, 1992, have 100% of their coverage paid for by the City. Employees who retired from the City in 1993 and up to December 31, 1999, with 20 or more years of service have 100% of their coverage paid for by the City. Prior to January 1, 2000, employees who have 15 years but less than 20 years of service are required to pay for 10% of the cost and employees who have 10 years but less than 15 years of service are required to pay for 20% of their costs. For employees who retire after January 1, 2000, the following applies:

Years of Service with the City	Retiree Cost	City Cost	Retiree Cost Per Year
At least 10 but less than 15	55%	45%	\$ 3,500
At least 15 but less than 20	25%	75%	1,500
At least 20	0%	100%	-

Employees who are eligible for the post-employment benefits are employees who retire after January 1, 2006 and who have a combination of years of service with the City of La Porte plus age totaling 80 and who retire as a qualified annuitant under the Texas Municipal Retirement System; who retire in accordance with the City of La Porte Employee Policies Handbook; who complete at least 20 years of service with the City of La Porte are currently employed by the City of La Porte at the time of the retirement. The total premium cost is the total annual dollar allocated by budget as approved by City employer contributions. The cost allocation shall be as follows:

Years of Service with the City	Retiree Cost	City Cost
at least 20 years	60%+dependent premiums	40%
21 years	55%+dependent premiums	45%
22 years	50%+dependent premiums	50%
23 years	45%+dependent premiums	55%
24 years	40%+dependent premiums	60%
25 years	35%+dependent premiums	65%
26 years	30%+dependent premiums	70%
27 years	25%+dependent premiums	75%
28 years	20%+dependent premiums	80%
29 years	15%+dependent premiums	85%
30 years	Active employee/dependent rate	

Retirees who are entitled to receive retirement benefits under the City’s retirement plan may purchase continued health benefits for the retiree and the retiree’s dependents. The Person must inform the City no later than the day on which the person retires that the person elects to continue coverage. If the retiree elects to continue coverage for himself and/or his dependents, once he decides to drop either type of coverage, the person and/or his dependents become eligible for coverage at the next open enrollment period. The level of coverage proceed is the same level of coverage provided to current employees. The City’s coverage is secondary to Medicare when the person becomes eligible for those benefits. Payment for dependent coverage will be at the same rate as payments for current employees.

*Annual OPEB Costs and Net OPEB Obligation.* The City’s annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that is paid on an ongoing basis, is projected to cover normal cost each year and amortize an unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s OPEB obligation to the postemployment medical plan shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s OPEB obligation to the postemployment medical plan.

	Fiscal Year		
	2015	2014	2013
Annual required contribution (ARC)	\$ 2,377,768	\$ 2,566,570	\$ 2,491,816
Interest on OPEB obligation	460,579	383,426	311,056
Adjustment to ARC	( 426,722)	( 355,240)	( 288,190)
Annual OPEB cost	2,411,625	2,594,756	2,514,682
Contributions	( 842,765)	( 880,236)	( 906,463)
Increase in net OPEB obligation	1,568,860	1,714,520	1,608,219
Net OPEB obligation, beginning of year	10,235,087	8,520,567	6,912,348
Net OPEB obligation, end of year	\$ 11,803,947	\$ 10,235,087	\$ 8,520,567

The City’s annual OPEB cost, employer contributions, and the percentage of annual OPEB cost contributed to the plan for fiscal years 2015, 2014, and 2013 are as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Amount Contributed	Percentage Contributed	Net OPEB Obligation
9/30/2013	\$ 2,514,682	\$ 906,463	36.0%	\$ 8,520,567
9/30/2014	2,594,756	880,236	33.9%	10,235,087
9/30/2015	2,411,625	842,765	34.9%	11,803,947

*Funded Status and Funding Progress.* The funding status of the post-employment medical plan as of the most recent actuarial valuation date is as follows:

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liability (UAAL)	Percentage Funded	Annual Covered Payroll	Ratio of UAAL to Annual Covered Payroll
December 31, 2014	\$ -	\$ 30,887,738	\$ 30,887,738	- %	\$ 20,708,593	149.2%

Actuarial valuations of an ongoing plan involve estimates of the value reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. A schedule of funding progress presents multi-trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The 2014 actuarial valuation is the most recent actuarial valuation available.

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In the December 31, 2014, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return compounded annually (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, an annual healthcare cost trend rate of 7.25 percent initially, reduced by decrements to an ultimate rate of 4.5 percent after 14 years, and a payroll growth rate for projecting normal cost of 3 percent. These rates include a 3 percent inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term validity in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of payroll contributions over a 30 year open amortization period assuming payroll growth of 3 percent. The remaining amortization period at September 30, 2015, was 29 years.

### **Supplemental Death Benefits Fund**

The City also participates in the cost sharing multiple-employer defined benefit group term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Funds (SDBF). The City elected, by ordinance to provide group term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. The death benefit for active employees provides a lump sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB. The City contributes to SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employee's entire careers.

The City's contributions to the TMRS SDBF for the fiscal year ended 2015, 2014, and 2013 were \$33,526, \$30,814, and \$29,311, respectively, which equaled to the required contributions.

**NEW ACCOUNTING PRINCIPLES**

Significant new accounting standards not yet implemented by the City include the following.

Statement No. 75, “*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*” – This statement changes the focus of accounting of postemployment benefits other than pensions from whether an entity is responsible for funding the benefits over time to a point-in-time liability that is reflected on the employer’s financial statements for any actuarially unfunded portion of benefits earned to date. This statement will become effective for the City in fiscal year 2018.

Statement No. 77, “*Tax Abatement Disclosures*” – This statement requires governments that enter into tax abatement agreements to provide certain disclosures regarding these commitments. This statement will become effective for the City in fiscal year 2017.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

## CITY OF LA PORTE, TEXAS

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final		(Negative)
Revenues				
Property taxes	\$ 14,728,500	\$ 15,873,500	\$ 15,983,821	\$ 110,321
Sales and use taxes	4,417,259	4,750,000	4,978,626	228,626
Franchise fees	2,158,666	2,175,408	2,411,827	236,419
Industrial payments	12,054,598	12,192,816	12,269,152	76,336
Other taxes	60,000	90,000	96,323	6,323
Licenses and permits	388,050	657,005	1,346,552	689,547
Fines and forfeitures	1,461,800	1,606,823	1,759,759	152,936
Charges for services	5,620,102	5,539,145	5,663,497	124,352
Interest earnings	71,000	80,000	140,227	60,227
Miscellaneous	40,000	113,000	239,303	126,303
Total Revenues	<u>40,999,975</u>	<u>43,077,697</u>	<u>44,889,087</u>	<u>1,811,390</u>
Expenditures				
General government:				
Administration	5,475,999	5,627,130	5,514,088	113,042
Finance	4,439,688	3,381,740	3,164,520	217,220
Planning and engineering	1,955,128	1,918,661	1,706,076	212,585
Public safety:				
Fire	4,626,227	4,723,846	4,634,931	88,915
Police	11,921,484	11,874,120	11,770,240	103,880
Public works:				
Public works administration	362,429	360,700	356,413	4,287
Streets	2,549,095	2,554,323	2,487,556	66,767
Health and sanitation:				
Solid waste	2,506,697	2,512,078	2,457,565	54,513
Culture and recreation	5,430,435	5,744,328	5,663,660	80,668
Total Expenditures	<u>39,267,182</u>	<u>38,696,926</u>	<u>37,755,049</u>	<u>941,877</u>
Excess (deficiency) of revenues over (under) expenditures	1,732,793	4,380,771	7,134,038	2,753,267
Other Financing Sources (Uses)				
Transfers in	57,500	57,500	57,500	-
Transfers out	( 3,256,876)	( 4,815,084)	( 4,815,084)	-
Insurance recoveries	-	-	210,854	210,854
Total Other Financing Sources and Uses	<u>( 3,199,376)</u>	<u>( 4,757,584)</u>	<u>( 4,546,730)</u>	<u>210,854</u>
Net change in fund balances	( 1,466,583)	( 376,813)	2,587,308	2,964,121
Fund balances, beginning of year	29,975,340	29,975,340	29,975,340	-
Fund balances at year end	<u>\$ 28,508,757</u>	<u>\$ 29,598,527</u>	<u>\$ 32,562,648</u>	<u>\$ 2,964,121</u>

## CITY OF LA PORTE, TEXAS

## NOTES TO REQUIRED BUDGETARY INFORMATION

SEPTEMBER 30, 2015

**Budgetary Controls and Procedures**

The objective of the City's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The City Manager is required by charter to submit a proposed budget and accompanying message to City Council by August 1. The Council shall review and revise the proposed budget as they deem appropriate prior to circulation for the public hearing. A summary of the proposed budget and notice of the public hearing must be posted in City Hall and be published in the official newspaper at least 2 weeks prior to the hearing. Annual budgets for General, Debt Service, Special Revenue and Enterprise Funds are legally adopted by ordinance and must be done so no later than September 27<sup>th</sup>. Budgetary control for capital projects funds is achieved through legally binding construction contracts and project length budgets.

The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is the total approved budget for each department. The City Manager is authorized to transfer part of all of any unencumbered appropriation balance among programs within a department. All other amendments and/or transfers must be approved by Council.

Annual appropriated budgets are adopted for general, special revenue, and debt service funds, using the same basis of accounting as for financial reporting. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except the capital projects funds, which adopt as a whole. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the charter is the total approved budget for each department. The City Manager may transfer appropriations within a department without seeking the approval of City Council; however, any revisions that alter total expenditures for any department must be approved by City Council. Appropriations lapse at the end of the year, excluding capital project budgets.

## CITY OF LA PORTE, TEXAS

SCHEDULE OF CHANGES IN TMRS NET PENSION LIABILITY  
AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Plan Year	<u>2014</u>
A. Total pension liability	
Service Cost	\$ 3,045,776
Interest (on the Total Pension Liability)	9,108,178
Difference between expected and actual experience	( 761,946)
Benefit payments, including refunds of employee contributions	<u>( 4,793,355)</u>
Net change in total pension liability	6,598,653
Total pension liability - beginning	<u>130,990,617</u>
Total pension liability - ending (a)	<u>\$ 137,589,270</u>
B. Plan fiduciary net position	
Contributions - Employer	\$ 3,534,991
Contributions - Employee	1,460,768
Net Investment Income	6,665,254
Benefit payments, including refunds of employee contributions	( 4,793,355)
Administrative Expenses	( 69,591)
Other	<u>( 5,722)</u>
Net change in plan fiduciary net position	6,792,345
Plan fiduciary net position - beginning	<u>116,518,249</u>
Plan fiduciary net position - ending (b)	<u>\$ 123,310,594</u>
C. Net pension liability - ending (a) - (b)	<u>\$ 14,278,676</u>
D. Plan fiduciary net position as a percentage of total pension liability	89.62%
E. Covered employee payroll	\$ 20,708,639
F. Net position liability as a percentage of covered employee payroll	68.95%

## CITY OF LA PORTE, TEXAS

## SCHUEDLE OF TMRS CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Fiscal Year	2014	2015
Actuarial determined contribution	\$ 3,496,424	\$ 3,489,185
Contributions in relation to the actuarially determined contribution	( 3,496,424)	( 3,489,185)
Contribution deficiency (excess)	-	-
Covered employee payroll	20,543,616	21,323,383
Contributions as a percentage of covered employee payroll	17.02%	16.36%

## NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date:	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	19 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	3.00%
Salary Increases	3.50% to 12.00% including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2010 valuation pursuant to an experience study of the period 2005-2009.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis of with BB.
Other Information	There were no benefit changes during the year.

## CITY OF LA PORTE, TEXAS

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE  
OF THE TESRS NET PENSION LIABILITY

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Plan Year	<u>2014</u>
City's proportion of the net pension liability	0.721%
City's proportionate share of the net pension liability	\$ 131,018
City's covered-employee payroll	18,420
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	711%
Plan fiduciary net position as a percentage of the total pension liability	83.5%

## SCHEDULE OF CITY'S TESRS CONTRIBUTIONS

Fiscal Year	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$ 26,055	\$ 48,820
Contributions in relation to the contractually required contribution	<u>( 26,055)</u>	<u>( 48,820)</u>
Contribution deficiency (excess)	-	-
City's covered-employee payroll	18,420	18,617
Contribution as a percentage of covered-employee payroll	141.4%	262.2%

## CITY OF LA PORTE, TEXAS

SCHEDULE OF FUNDING PROGRESS  
OTHER POST EMPLOYMENT BENEFITS PLAN

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Actuarial Valuation Date December 31,	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liability (UAAL)	Percentage Funded	Annual Covered Payroll	Ratio of UAAL to Annual Covered Payroll
2010	\$ -	\$ 29,639,065	\$ 29,639,065	- %	\$ 19,816,947	149.6%
2012	-	32,167,407	32,167,407	- %	19,908,162	161.6%
2014	-	30,887,738	30,887,738	- %	20,708,593	149.2%

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**COMBINING AND INDIVIDUAL  
STATEMENTS AND SCHEDULES**

## Nonmajor Governmental Funds

### Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

*Hotel/Motel Occupancy Tax Fund*—This fund is used to account for the accumulation of resources from the Hotel/Motel Tax assessment levied by the City. These monies are to be spent to promote the development or progress of the City within the guidelines set forth on disposition of revenues collected under the authority of the Texas Hotel Occupancy Act (Article 1369; Vernon's Texas Civil Statutes).

*Section 4B Sales Tax Fund* – This fund is used to account for funds received from the ½ cent sales tax dedicated to certain economic and infrastructure projects.

*Tax Increment Reinvestment Zone One Fund (TIRZ)* – This fund is used to account for the disposition of property taxes collected on specific parcels within the boundaries of the TIRZ for the exclusive benefit of the City's capital improvement programs.

*Grant Fund* – This fund is used to account for funds received from another government or organization to be used for the specific purpose activity or facility.

*Street Maintenance Sales Tax Fund* – This fund is used to account for the additional sales tax collected for street maintenance.

*Emergency Services Sales Tax Fund* – This fund is used to account for the additional sales tax collected for emergency services.

### Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

*2000 Certificate of Obligation Bonds Funds* – This fund is used to account for the proceeds and expenditures related to City Hall renovations, fire station 3 and 4 replacement and pool replacement.

*2006 Certificate of Obligation Bonds Fund* – This fund is used to account for the proceeds and expenditures related to the Police Facility, a Sports Complex (Joint Venture), South La Porte Trunk Sewer and various other Water/Sewer projects.

*2010 Certificates of Obligation Bond Fund* – This fund is used to account for the proceeds and expenditures related to street, drainage and park improvements.

*Capital Improvements* – This fund is used to account for projects that are generally small in nature and affect the general operation of the City.

*Drainage Improvements* – This fund is used to account for the proceeds and expenditures related to the drainage fees collected.

**CITY OF LA PORTE, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

**SEPTEMBER 30, 2015**

	Special Revenue Funds			
	Hotel/Motel	Section 4b	Tax Increment	Grant Fund
	Tax	Sales Tax	Reinvestment Zone	
<b>Assets</b>				
Cash and cash equivalents	\$ 645,093	\$ 3,228,104	\$ 543,282	\$ 1,405,136
Investments	279,455	929,732	-	606,262
Receivables, net of allowance	117,136	393,466	-	893
Due from other governments	-	-	-	21,071
<b>Total Assets</b>	<u>1,041,684</u>	<u>4,551,302</u>	<u>543,282</u>	<u>2,033,362</u>
<b>Liabilities</b>				
Accounts payable	3,201	2,403	3,000	64,570
Accrued salaries	5,391	4,482	-	11,213
Other payables	-	-	-	500
Due to other funds	-	-	532,813	-
Unearned revenue	-	-	-	25,010
<b>Total Liabilities</b>	<u>8,592</u>	<u>6,885</u>	<u>535,813</u>	<u>101,293</u>
<b>Fund balances</b>				
<b>Restricted</b>				
Debt service	-	1,083,817	-	-
Economic development	1,033,092	3,460,600	-	-
Senior citizen programs	-	-	-	10,543
Replacement of trees	-	-	-	638,265
Municipal court building and technology	-	-	-	347,571
Park improvements	-	-	-	379,015
Public safety	-	-	-	556,675
Capital projects	-	-	7,469	-
Public works	-	-	-	-
<b>Total Fund Balances</b>	<u>1,033,092</u>	<u>4,544,417</u>	<u>7,469</u>	<u>1,932,069</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,041,684</u>	<u>\$ 4,551,302</u>	<u>\$ 543,282</u>	<u>\$ 2,033,362</u>

Special Revenue Funds			
Street Maintenance Sales Tax Fund	Emergency Service Sales Tax Fund	Total Special Revenue Funds	
\$ 1,346,700	\$ 576,201	\$ 7,744,516	
583,957	249,891	2,649,297	
196,910	190,337	898,742	
-	-	21,071	
<u>2,127,567</u>	<u>1,016,429</u>	<u>11,313,626</u>	
73,406	11,783	158,363	
-	4,483	25,569	
-	-	500	
-	-	532,813	
-	-	25,010	
<u>73,406</u>	<u>16,266</u>	<u>742,255</u>	
-	-	1,083,817	
-	-	4,493,692	
-	-	10,543	
-	-	638,265	
-	-	347,571	
-	-	379,015	
-	1,000,163	1,556,838	
-	-	7,469	
<u>2,054,161</u>	<u>-</u>	<u>2,054,161</u>	
<u>2,054,161</u>	<u>1,000,163</u>	<u>10,571,371</u>	
\$ <u>2,127,567</u>	\$ <u>1,016,429</u>	\$ <u>11,313,626</u>	

## CITY OF LA PORTE, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Special Revenue Funds			
	Hotel/Motel Tax	Section 4b Sales Tax	Tax Increment Reinvestment Zone	Grant Fund
Revenues				
Property taxes	\$ -	\$ -	\$ 1,848,694	\$ -
Sales and use taxes	-	2,489,310	-	-
Other taxes	701,619	-	-	-
Fines and forfeitures	-	-	-	193,939
Charges for services	-	-	-	710,354
Intergovernmental	-	-	-	3,195,238
Investment earnings	3,467	10,131	351	5,208
Miscellaneous	9,224	-	-	29,532
Total Revenues	<u>714,310</u>	<u>2,499,441</u>	<u>1,849,045</u>	<u>4,134,271</u>
Expenditures				
Current:				
General government	553,409	359,596	119,784	42,985
Public safety	-	-	-	444,484
Public works	-	-	-	26,903
Culture and recreation	-	-	-	64,040
Debt Service:				
Principal	-	-	1,350,582	-
Interest and other charges	-	-	370,420	-
Capital outlay	-	-	-	3,048,686
Total Expenditures	<u>553,409</u>	<u>359,596</u>	<u>1,840,786</u>	<u>3,627,098</u>
Excess (deficiency) of revenues over (under) expenditures	160,901	2,139,845	8,259	507,173
Other Financing Sources (Uses)				
Transfers in	2,550	175,000	-	-
Transfers out	( 232,500)	( 1,083,817)	-	-
Total Other Financing Sources (Uses)	<u>( 229,950)</u>	<u>( 908,817)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	( 69,049)	1,231,028	8,259	507,173
Fund balances - beginning	1,102,141	3,313,389	( 790)	1,424,896
Fund balances - ending	<u>\$ 1,033,092</u>	<u>\$ 4,544,417</u>	<u>\$ 7,469</u>	<u>\$ 1,932,069</u>

Special Revenue Funds		
Street Maintenance Sale Tax Fund	Emergency Services Sales Tax Fund	Total Special Revenue Funds
\$ -	\$ -	\$ 1,848,694
1,244,654	1,233,330	4,967,294
-	-	701,619
-	-	193,939
-	-	710,354
-	-	3,195,238
6,300	1,459	26,916
-	-	38,756
<u>1,250,954</u>	<u>1,234,789</u>	<u>11,682,810</u>
-	-	1,075,774
-	849,163	1,293,647
32,876	-	59,779
-	-	64,040
-	-	1,350,582
-	-	370,420
<u>949,097</u>	<u>102,443</u>	<u>4,100,226</u>
<u>981,973</u>	<u>951,606</u>	<u>8,314,468</u>
268,981	283,183	3,368,342
-	-	177,550
-	-	( 1,316,317)
-	-	( 1,138,767)
268,981	283,183	2,229,575
<u>1,785,180</u>	<u>716,980</u>	<u>8,341,796</u>
<u>\$ 2,054,161</u>	<u>\$ 1,000,163</u>	<u>\$ 10,571,371</u>

**CITY OF LA PORTE, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

**SEPTEMBER 30, 2015**

	Capital Projects Funds			
	2000 Certificate of Obligation Bonds	2006 Certificate of Obligation Bonds	2010 Certificate of Obligation Bonds	Capital Improvements
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 173	\$ 1,479,428	\$ 1,343,710
Investments	-	75	14,556	582,243
Receivables, net of allowance	-	-	22	863
Due from other governments	-	-	-	-
Due from other funds	-	532,813	-	-
<b>Total Assets</b>	<u>-</u>	<u>533,061</u>	<u>1,494,006</u>	<u>1,926,816</u>
<b>Liabilities:</b>				
Accounts payable	-	-	144,349	10,208
Accrued salaries payable	-	-	-	-
Other payables	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue - grants	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>144,349</u>	<u>10,208</u>
<b>Fund Balances:</b>				
<b>Restricted:</b>				
Debt service	-	-	-	-
Economic development	-	-	-	-
Senior citizen programs	-	-	-	-
Replacement of trees	-	-	-	-
Municipal court building and technology	-	-	-	-
Park improvements	-	-	-	-
Public safety	-	-	-	-
Capital projects	-	533,061	1,349,657	-
Public works	-	-	-	-
<b>Committed:</b>				
Capital projects	-	-	-	1,916,608
<b>Total Fund Balances</b>	<u>-</u>	<u>533,061</u>	<u>1,349,657</u>	<u>1,916,608</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ -</u>	<u>\$ 533,061</u>	<u>\$ 1,494,006</u>	<u>\$ 1,926,816</u>

<u>Capital Projects Funds</u>			<u>Total Nonmajor Governmental Funds</u>
<u>Drainage Improvements</u>	<u>Total Capital Projects Funds</u>		
\$ 556,238	\$ 3,379,549	\$	11,124,065
241,191	838,065		3,487,362
15,204	16,089		914,831
-	-		21,071
-	532,813		532,813
<u>812,633</u>	<u>4,766,516</u>		<u>16,080,142</u>
6,091	160,648		319,011
-	-		25,569
-	-		500
-	-		532,813
-	-		25,010
<u>6,091</u>	<u>160,648</u>		<u>902,903</u>
-	-		1,083,817
-	-		4,493,692
-	-		10,543
-	-		638,265
-	-		347,571
-	-		379,015
-	-		1,556,838
806,542	2,689,260		2,696,729
-	-		2,054,161
-	1,916,608		1,916,608
<u>806,542</u>	<u>4,605,868</u>		<u>15,177,239</u>
<u>\$ 812,633</u>	<u>\$ 4,766,516</u>	<u>\$</u>	<u>16,080,142</u>

## CITY OF LA PORTE, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Capital Projects Fund			
	2000 Certificate of Obligation Bonds	2006 Certificate of Obligation Bonds	2010 Certificate of Obligation Bonds	Capital Improvements
<b>Revenues</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	-
Other taxes	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	351,011
Intergovernmental	-	-	-	-
Interest earnings	-	144	922	9,803
Miscellaneous	-	120,813	-	-
<b>Total Revenues</b>	<u>-</u>	<u>120,957</u>	<u>922</u>	<u>360,814</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	492,708
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	364,521	1,723,295
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>364,521</u>	<u>2,216,003</u>
Excess (deficiency) of revenues over (under) expenditures	-	120,957	( 363,599)	( 1,855,189)
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	984,948
Transfers out	( 16)	( 250,000)	-	( 175,000)
<b>Total Other Financing Sources (Uses)</b>	<u>( 16)</u>	<u>( 250,000)</u>	<u>-</u>	<u>809,948</u>
Net change in fund balances	( 16)	( 129,043)	( 363,599)	( 1,045,241)
Fund balances - beginning	<u>16</u>	<u>662,104</u>	<u>1,713,256</u>	<u>2,961,849</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 533,061</u>	<u>\$ 1,349,657</u>	<u>\$ 1,916,608</u>

<u>Capital Projects Fund</u>		
<u>Drainage Improvements</u>	<u>Total Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 1,848,694
-	-	4,967,294
-	-	701,619
-	-	193,939
269,910	620,921	1,331,275
-	-	3,195,238
2,654	13,523	40,439
-	120,813	159,569
<u>272,564</u>	<u>755,257</u>	<u>12,438,067</u>
-	492,708	1,568,482
-	-	1,293,647
12,365	12,365	72,144
-	-	64,040
-	-	1,350,582
-	-	370,420
143,851	2,231,667	6,331,893
<u>156,216</u>	<u>2,736,740</u>	<u>11,051,208</u>
116,348	( 1,981,483)	1,386,859
-	984,948	1,162,498
-	( 425,016)	( 1,741,333)
<u>-</u>	<u>559,932</u>	<u>( 578,835)</u>
116,348	( 1,421,551)	808,024
<u>690,194</u>	<u>6,027,419</u>	<u>14,369,215</u>
<u>\$ 806,542</u>	<u>\$ 4,605,868</u>	<u>\$ 15,177,239</u>

## CITY OF LA PORTE, TEXAS

**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**  
**With comparative actual totals for the year ended September 30, 2014**

	2015		Variance Positive/ (Negative)	2014
	Final Budget	Actual		
Revenues				
Property taxes	\$ 2,624,900	\$ 2,897,713	\$ 272,813	\$ 2,482,675
Investment earnings	4,200	3,363	( 837)	8,712
Total Revenues	<u>2,629,100</u>	<u>2,901,076</u>	<u>271,976</u>	<u>2,491,387</u>
Expenditures				
Debt Service:				
Principal	3,275,000	3,275,000	-	2,640,000
Interest and other charges	1,083,722	1,083,722	-	1,371,766
Total Expenditures	<u>4,358,722</u>	<u>4,358,722</u>	<u>-</u>	<u>4,011,766</u>
Revenues over (under) expenditures	( 1,729,622)	( 1,457,646)	271,976	( 1,520,379)
Other Financing Sources (Uses)				
Issuance of debt	-	-	-	9,300,000
Premium on bonds	-	-	-	608,166
Payment to escrow agent	-	-	-	( 9,749,587)
Transfers in	1,849,460	1,849,476	16	1,640,223
Total Other Financing Sources (Uses)	<u>1,849,460</u>	<u>1,849,476</u>	<u>16</u>	<u>1,798,802</u>
Net change in fund balance	119,838	391,830	271,992	278,423
Fund balances - beginning of year	<u>2,768,922</u>	<u>2,768,922</u>	<u>-</u>	<u>2,490,499</u>
Fund balances - end of year	<u>\$ 2,888,760</u>	<u>\$ 3,160,752</u>	<u>\$ 271,992</u>	<u>\$ 2,768,922</u>

## CITY OF LA PORTE, TEXAS

**SPECIAL REVENUE FUND - HOTEL/MOTEL TAX  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**  
With comparative actual totals for the year ended September 30, 2014

	2015		Variance Positive/ (Negative)	2014
	Final Budget	Actual		
Revenues				
Other taxes	\$ 575,000	\$ 701,619	\$ 126,619	\$ 699,673
Investment earnings	1,500	3,467	1,967	1,538
Miscellaneous	-	9,224	9,224	4,825
Total Revenues	<u>576,500</u>	<u>714,310</u>	<u>137,810</u>	<u>706,036</u>
Expenditures				
Current:				
General government	<u>601,089</u>	<u>553,409</u>	<u>47,680</u>	<u>467,379</u>
Total Expenditures	<u>601,089</u>	<u>553,409</u>	<u>47,680</u>	<u>467,379</u>
Revenues over (under) expenditures	( 24,589)	160,901	185,490	238,657
Other Financing Sources (Uses)				
Transfers in	2,550	2,550	-	1,981
Transfers out	( 232,500)	( 232,500)	-	( 207,500)
Total Other Financing Sources (Uses)	<u>( 229,950)</u>	<u>( 229,950)</u>	<u>-</u>	<u>( 205,519)</u>
Net change in fund balance	( 254,539)	( 69,049)	185,490	33,138
Fund balances - beginning of year	<u>1,102,141</u>	<u>1,102,141</u>	<u>-</u>	<u>1,069,003</u>
Fund balances - end of year	<u>\$ 847,602</u>	<u>\$ 1,033,092</u>	<u>\$ 185,490</u>	<u>\$ 1,102,141</u>

## CITY OF LA PORTE, TEXAS

**SPECIAL REVENUE FUND - SECTION 4B SALES TAX  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**  
With comparative actual totals for the year ended September 30, 2014

	2015		Variance Positive/ (Negative)	2014
	Final Budget	Actual		
Revenues				
Sales and use tax	\$ 2,208,630	\$ 2,489,310	\$ 280,680	\$ 2,343,234
Investment earnings	4,500	10,131	5,631	4,170
Total Revenues	<u>2,213,130</u>	<u>2,499,441</u>	<u>286,311</u>	<u>2,347,404</u>
Expenditures				
Current:				
General government	434,794	359,596	75,198	677,836
Total Expenditures	<u>434,794</u>	<u>359,596</u>	<u>75,198</u>	<u>677,836</u>
Revenues over (under) expenditures	1,778,336	2,139,845	361,509	1,669,568
Other Financing Sources (Uses)				
Transfers in	175,000	175,000	-	1,211
Transfers out	( 1,083,817)	( 1,083,817)	-	( 1,125,545)
Total Other Financing Sources (Uses)	<u>( 908,817)</u>	<u>( 908,817)</u>	<u>-</u>	<u>( 1,124,334)</u>
Net change in fund balance	869,519	1,231,028	361,509	545,234
Fund balances - beginning of year	3,313,389	3,313,389	-	2,768,155
Fund balances - end of year	<u>\$ 4,182,908</u>	<u>\$ 4,544,417</u>	<u>\$ 361,509</u>	<u>\$ 3,313,389</u>

## CITY OF LA PORTE, TEXAS

**SPECIAL REVENUE FUND - TAX INCREMENT REINVESTMENT ZONE  
SCHEDULE OF REVENUES, EXPENDIURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

**With comparative actual totals for the year ended September 30, 2014**

	2015		Variance Positive/ (Negative)	2014
	Final Budget	Actual		
Revenues				
Property taxes	\$ 2,199,400	\$ 1,848,694	\$( 350,706)	\$ 2,156,273
Investment earnings	650	351	( 299)	511
Developer advance	488,584	-	( 488,584)	-
Total Revenues	<u>2,688,634</u>	<u>1,849,045</u>	<u>( 839,589)</u>	<u>2,156,784</u>
Expenditures				
Current:				
General government	2,807,737	119,784	2,687,953	560,757
Debt Service:				
Principal	-	1,350,582	( 1,350,582)	1,851,875
Interest and other charges	-	370,420	( 370,420)	-
Total Expenditures	<u>2,807,737</u>	<u>1,840,786</u>	<u>966,951</u>	<u>2,412,632</u>
Net change in fund balance	( 119,103)	8,259	127,362	( 255,848)
Fund balances - beginning of year	( 790)	( 790)	-	255,058
Fund balances - end of year	<u>\$( 119,893)</u>	<u>\$ 7,469</u>	<u>\$ 127,362</u>	<u>\$( 790)</u>

## CITY OF LA PORTE, TEXAS

**SPECIAL REVENUE FUND - GRANT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

**With comparative actual totals for the year ended September 30, 2014**

	2015		Variance Positive/ (Negative)	2014
	Final Budget	Actual		
<b>Revenues</b>				
Fines and forfeitures	\$ 125,000	\$ 193,939	\$ 68,939	\$ 196,458
Charges for services	4,000	710,354	706,354	242,997
Intergovernmental	291,937	3,195,238	2,903,301	1,572,360
Investment earnings	-	5,208	5,208	1,472
Miscellaneous	850	29,532	28,682	-
<b>Total Revenues</b>	<u>421,787</u>	<u>4,134,271</u>	<u>3,712,484</u>	<u>2,013,287</u>
<b>Expenditures</b>				
<b>Current:</b>				
General government	83,757	42,985	40,772	57,643
Public safety	332,008	444,484	( 112,476)	492,473
Public works	63,552	26,903	36,649	234,952
Culture and recreation	654,353	64,040	590,313	59,115
Capital outlay	45,664	3,048,686	( 3,003,022)	900,860
<b>Total Expenditures</b>	<u>1,179,334</u>	<u>3,627,098</u>	<u>( 2,447,764)</u>	<u>1,745,043</u>
Net change in fund balance	( 757,547)	507,173	1,264,720	268,244
Fund balance - beginning of year	1,424,896	1,424,896	-	1,156,652
Fund balance - end of year	<u>\$ 667,349</u>	<u>\$ 1,932,069</u>	<u>\$ 1,264,720</u>	<u>\$ 1,424,896</u>

## CITY OF LA PORTE, TEXAS

**SPECIAL REVENUE FUND - STREET MAINTENANCE SALES TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

**With comparative actual totals for the year ended September 30, 2014**

	2015		Variance Positive/ Negative	2014
	Final Budget	Actual		
<b>Revenues</b>				
Sales and use tax	\$ 1,104,315	\$ 1,244,654	\$ 140,339	\$ 1,171,617
Investment earnings	1,400	6,300	4,900	1,758
<b>Total Revenues</b>	<u>1,105,715</u>	<u>1,250,954</u>	<u>145,239</u>	<u>1,173,375</u>
<b>Expenditures</b>				
Current:				
Public works	244,131	32,876	211,255	173,104
Capital outlay	550,869	949,097	( 398,228)	170,437
<b>Total Expenditures</b>	<u>795,000</u>	<u>981,973</u>	<u>( 186,973)</u>	<u>343,541</u>
Net change in fund balance	310,715	268,981	( 41,734)	829,834
Fund balances - beginning of year	<u>1,785,180</u>	<u>1,785,180</u>	-	<u>955,346</u>
Fund balances - end of year	<u>\$ 2,095,895</u>	<u>\$ 2,054,161</u>	<u>\$( 41,734)</u>	<u>\$ 1,785,180</u>

## CITY OF LA PORTE, TEXAS

**SPECIAL REVENUE FUND - EMERGENCY SERVICES SALES TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

**With comparative actual totals for the year ended September 30, 2014**

	2015		Variance Positive/ (Negative)	2014
	Final Budget	Actual		
<b>Revenues</b>				
Sales and use tax	\$ 1,104,315	\$ 1,233,330	\$ 129,015	\$ 1,116,445
Investment earnings	500	1,459	959	348
<b>Total Revenues</b>	<u>1,104,815</u>	<u>1,234,789</u>	<u>129,974</u>	<u>1,116,793</u>
<b>Expenditures</b>				
Current:				
Public safety	908,260	849,163	59,097	902,879
Capital outlay	482,657	102,443	380,214	-
<b>Total Expenditures</b>	<u>1,390,917</u>	<u>951,606</u>	<u>439,311</u>	<u>902,879</u>
Revenues over (under) expenditures	( 286,102)	283,183	569,285	213,914
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	1,598
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,598</u>
Net change in fund balance	( 286,102)	283,183	569,285	215,512
Fund balance - beginning of year	716,980	716,980	-	501,468
Fund balance - end of year	<u>\$ 430,878</u>	<u>\$ 1,000,163</u>	<u>\$ 569,285</u>	<u>\$ 716,980</u>

## CITY OF LA PORTE, TEXAS

**CAPITAL PROJECTS FUND - 2006 CERTIFICATE OF OBLIGATION BONDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

**With comparative actual totals for the year ended September 30, 2014**

	2015		Variance Positive/ (Negative)	2014
	Final Budget	Actual		
Revenues				
Investment earnings	\$ -	\$ 144	\$ 144	\$ -
Miscellaneous	-	120,813	120,813	-
Total Revenues	-	120,957	120,957	-
Other Financing Sources (Uses)				
Transfers out	( 250,000)	( 250,000)	-	-
Total Other Financing Sources (Uses)	( 250,000)	( 250,000)	-	-
Net change in fund balance	( 250,000)	( 129,043)	120,957	-
Fund balances - beginning of year	662,104	662,104	-	662,104
Fund balances - end of year	\$ 412,104	\$ 533,061	\$ 120,957	\$ 662,104

## CITY OF LA PORTE, TEXAS

**CAPITAL PROJECTS FUND - 2010 CERTIFICATE OF OBLIGATION BONDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

**With comparative actual totals for the year ended September 30, 2014**

	2015		Variance Positive/ (Negative)	2014
	Final Budget	Actual		
Revenues				
Interest	\$ -	\$ 922	\$ 922	\$ 604
Total Revenues	-	922	922	604
Expenditures				
Capital outlay	280,000	364,521	( 84,521)	74,467
Total Expenditures	280,000	364,521	( 84,521)	74,467
Net change in fund balance	( 280,000)	( 363,599)	( 83,599)	( 73,863)
Fund balances - beginning of year	1,713,256	1,713,256	-	1,787,119
Fund balances - end of year	\$ 1,433,256	\$ 1,349,657	\$ ( 83,599)	\$ 1,713,256

## CITY OF LA PORTE, TEXAS

**CAPITAL PROJECTS FUND - DRAINAGE IMPROVEMENTS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

**With comparative actual totals for the year ended September 30, 2014**

	2015		Variance Positive/ (Negative)	2014
	Final Budget	Actual		
<b>Revenues</b>				
Charges for services	\$ 267,000	\$ 269,910	\$ 2,910	\$ 268,230
Investment earnings	750	2,654	1,904	914
<b>Total Revenues</b>	<u>267,750</u>	<u>272,564</u>	<u>4,814</u>	<u>269,144</u>
<b>Expenditures</b>				
Current:				
Public works	36,739	12,365	24,374	97,797
Capital outlay	203,261	143,851	59,410	-
<b>Total Expenditures</b>	<u>240,000</u>	<u>156,216</u>	<u>83,784</u>	<u>97,797</u>
Net change in fund balance	27,750	116,348	88,598	171,347
Fund balances - beginning of year	690,194	690,194	-	518,847
Fund balances - end of year	<u>\$ 717,944</u>	<u>\$ 806,542</u>	<u>\$ 88,598</u>	<u>\$ 690,194</u>

## CITY OF LA PORTE, TEXAS

GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Taxes:				
Ad valorem:				
Current	\$ 14,500,000	\$ 15,645,000	\$ 15,761,766	\$ 116,766
Delinquent	68,000	68,000	57,216	( 10,784)
Industrial payments	12,054,598	12,192,816	12,269,152	76,336
Total ad valorem	26,622,598	27,905,816	28,088,134	182,318
Penalty and interest	160,500	160,500	164,839	4,339
Sales Taxes	4,417,259	4,750,000	4,978,626	228,626
Other Taxes	60,000	90,000	96,323	6,323
Franchise Fees:				
Electrical	1,243,666	1,250,408	1,393,817	143,409
Gas	150,000	150,000	137,470	( 12,530)
Telephone	275,000	300,000	193,540	( 106,460)
Cable	400,000	385,000	603,020	218,020
Commercial solid waste	90,000	90,000	83,980	( 6,020)
Total Franchise Fees	2,158,666	2,175,408	2,411,827	236,419
Charges for Services:				
Public safety services fees	580,829	602,692	606,089	3,397
Health and sanitation service fees	3,077,500	3,075,500	3,273,654	198,154
Culture and recreation fees	1,462,445	1,341,925	1,361,620	19,695
Other services fees	499,328	519,028	422,134	( 96,894)
Total Charges for Services	5,620,102	5,539,145	5,663,497	124,352
Licenses and Permits:				
Buildings permits	352,925	620,105	1,308,507	688,402
Licenses	35,125	36,900	38,045	1,145
Total Licenses and Permits	388,050	657,005	1,346,552	689,547
Investment Income	71,000	80,000	140,227	60,227
Fines and Forfeitures	1,461,800	1,606,823	1,759,759	152,936
Miscellaneous	40,000	113,000	239,303	126,303
Total Revenues	\$ 40,999,975	\$ 43,077,697	\$ 44,889,087	\$ 1,811,390

**CITY OF LA PORTE, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
General Government				
Administration:				
Emergency Management:				
Personnel services	\$ 221,931	\$ 220,371	\$ 219,455	\$ 916
Supplies	8,673	7,220	6,717	503
Other services and charges	94,171	118,221	117,277	944
Total Emergency Management	<u>324,775</u>	<u>345,812</u>	<u>343,449</u>	<u>2,363</u>
General Administration:				
Personnel services	435,760	465,017	463,475	1,542
Supplies	3,100	5,100	3,912	1,188
Other services and charges	86,755	87,555	80,457	7,098
Total General Administration	<u>525,615</u>	<u>557,672</u>	<u>547,844</u>	<u>9,828</u>
Community Investment:				
Supplies	27,650	27,650	26,238	1,412
Other services and charges	123,200	129,995	113,877	16,118
Total Community Investment	<u>150,850</u>	<u>157,645</u>	<u>140,115</u>	<u>17,530</u>
Human Resources:				
Personnel services	260,159	266,232	238,371	27,861
Supplies	2,850	3,850	2,500	1,350
Other services and charges	178,775	168,857	154,881	13,976
Total Human Resources	<u>441,784</u>	<u>438,939</u>	<u>395,752</u>	<u>43,187</u>
Information Technology:				
Personnel services	645,150	616,725	609,769	6,956
Supplies	121,037	110,523	107,636	2,887
Other services and charges	1,528,149	1,526,649	1,525,603	1,046
Total Information Technology	<u>2,294,336</u>	<u>2,253,897</u>	<u>2,243,008</u>	<u>10,889</u>
Municipal Court:				
Personnel services	670,271	680,708	679,707	1,001
Supplies and materials	19,750	19,750	15,254	4,496
Other services and charges	131,351	113,590	108,072	5,518
Total Municipal Court	<u>821,372</u>	<u>814,048</u>	<u>803,033</u>	<u>11,015</u>
Purchasing:				
Personnel services	230,954	241,795	240,071	1,724
Supplies	1,400	1,270	614	656
Other services and charges	11,358	8,277	7,475	802
Total Purchasing	<u>243,712</u>	<u>251,342</u>	<u>248,160</u>	<u>3,182</u>

**CITY OF LA PORTE, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>City Secretary:</b>				
Personnel services	\$ 339,142	\$ 365,057	\$ 363,878	\$ 1,179
Supplies and materials	16,600	16,200	14,532	1,668
Other services and charges	62,199	46,673	43,598	3,075
<b>Total City Secretary</b>	<u>417,941</u>	<u>427,930</u>	<u>422,008</u>	<u>5,922</u>
<b>Legal:</b>				
Personnel services	20,844	21,845	20,844	1,001
Other services and charges	166,900	291,600	289,512	2,088
<b>Total Legal</b>	<u>187,744</u>	<u>313,445</u>	<u>310,356</u>	<u>3,089</u>
<b>City Council:</b>				
Personnel services	37,370	37,453	36,278	1,175
Supplies and materials	8,450	7,670	6,588	1,082
Other services and charges	22,050	21,277	17,497	3,780
<b>Total City Council</b>	<u>67,870</u>	<u>66,400</u>	<u>60,363</u>	<u>6,037</u>
<b>Total Administration</b>	<u>5,475,999</u>	<u>5,627,130</u>	<u>5,514,088</u>	<u>113,042</u>
<b>Finance</b>				
<b>Accounting:</b>				
Personnel services	718,454	755,177	753,850	1,327
Supplies	8,450	8,300	6,226	2,074
Other services and charges	96,591	97,908	90,899	7,009
<b>Total Accounting</b>	<u>823,495</u>	<u>861,385</u>	<u>850,975</u>	<u>10,410</u>
<b>Nondepartmental:</b>				
Personnel services	949,127	943,172	905,935	37,237
Supplies	5,300	4,730	4,197	533
Other services and charges	2,210,869	1,127,830	1,014,226	113,604
<b>Total Nondepartmental</b>	<u>3,165,296</u>	<u>2,075,732</u>	<u>1,924,358</u>	<u>151,374</u>
<b>Tax Office:</b>				
Personnel services	212,402	218,695	190,891	27,804
Supplies and materials	10,275	10,810	10,012	798
Other services and charges	228,220	215,118	188,284	26,834
<b>Total Tax Office</b>	<u>450,897</u>	<u>444,623</u>	<u>389,187</u>	<u>55,436</u>
<b>Total Finance</b>	<u>4,439,688</u>	<u>3,381,740</u>	<u>3,164,520</u>	<u>217,220</u>

**CITY OF LA PORTE, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Planning and Engineering				
Planning and Engineering:				
Personnel services	\$ 891,772	\$ 855,475	\$ 723,564	\$ 131,911
Supplies	12,672	11,109	8,777	2,332
Other services and charges	127,530	147,767	107,929	39,838
Total Planning and Engineering	<u>1,031,974</u>	<u>1,014,351</u>	<u>840,270</u>	<u>174,081</u>
Inspection:				
Personnel services	757,276	748,112	720,621	27,491
Supplies	24,131	23,766	22,383	1,383
Other services and charges	141,747	132,432	122,802	9,630
Total Inspection	<u>923,154</u>	<u>904,310</u>	<u>865,806</u>	<u>38,504</u>
Total Planning and Engineering	<u>1,955,128</u>	<u>1,918,661</u>	<u>1,706,076</u>	<u>212,585</u>
Total General Government	<u>11,870,815</u>	<u>10,927,531</u>	<u>10,384,684</u>	<u>542,847</u>
Public Safety				
Fire				
Fire Prevention:				
Personnel services	300,780	316,790	315,977	813
Supplies	12,076	12,893	11,487	1,406
Other services and charges	7,415	7,646	7,360	286
Total Fire Prevention	<u>320,271</u>	<u>337,329</u>	<u>334,824</u>	<u>2,505</u>
Fire Suppression:				
Personnel services	1,407,393	1,526,967	1,520,815	6,152
Supplies	38,879	41,535	31,259	10,276
Other services and charges	274,323	269,183	251,142	18,041
Total Fire Suppression	<u>1,720,595</u>	<u>1,837,685</u>	<u>1,803,216</u>	<u>34,469</u>
Emergency Medical Services:				
Personnel services	2,299,821	2,267,974	2,229,687	38,287
Supplies	153,830	161,328	152,629	8,699
Other services and charges	131,710	119,530	114,575	4,955
Total Emergency Services	<u>2,585,361</u>	<u>2,548,832</u>	<u>2,496,891</u>	<u>51,941</u>
Total Fire	<u>4,626,227</u>	<u>4,723,846</u>	<u>4,634,931</u>	<u>88,915</u>

**CITY OF LA PORTE, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Police				
Police Administration:				
Personnel services	\$ 689,936	\$ 718,004	\$ 715,061	\$ 2,943
Supplies	23,568	20,505	19,332	1,173
Other services and charges	<u>273,489</u>	<u>295,705</u>	<u>294,648</u>	<u>1,057</u>
Total Police Administration	<u>986,993</u>	<u>1,034,214</u>	<u>1,029,041</u>	<u>5,173</u>
Police Patrol:				
Personnel services	4,981,885	4,955,238	4,953,009	2,229
Supplies	238,062	197,155	182,980	14,175
Other services and charges	865,698	862,382	852,596	9,786
Capital outlay	<u>5,500</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total Police Patrol	<u>6,091,145</u>	<u>6,017,775</u>	<u>5,988,585</u>	<u>29,190</u>
Criminal Investigation:				
Personnel services	2,006,868	1,986,956	1,960,702	26,254
Supplies	62,416	52,577	46,300	6,277
Other services and charges	<u>171,413</u>	<u>162,333</u>	<u>157,140</u>	<u>5,193</u>
Total Criminal Investigation	<u>2,240,697</u>	<u>2,201,866</u>	<u>2,164,142</u>	<u>37,724</u>
Support Services:				
Personnel services	2,365,789	2,390,583	2,367,739	22,844
Supplies	96,415	80,684	76,179	4,505
Other services and charges	<u>140,445</u>	<u>148,998</u>	<u>144,554</u>	<u>4,444</u>
Total Support Services	<u>2,602,649</u>	<u>2,620,265</u>	<u>2,588,472</u>	<u>31,793</u>
Total Police	<u>11,921,484</u>	<u>11,874,120</u>	<u>11,770,240</u>	<u>103,880</u>
Total Public Safety	<u>16,547,711</u>	<u>16,597,966</u>	<u>16,405,171</u>	<u>192,795</u>
Public Works				
Public Works Administration:				
Personnel services	307,203	316,372	315,345	1,027
Supplies and materials	4,790	4,728	3,873	855
Other services and charges	<u>50,436</u>	<u>39,600</u>	<u>37,195</u>	<u>2,405</u>
Total Public Works Administration	<u>362,429</u>	<u>360,700</u>	<u>356,413</u>	<u>4,287</u>

**CITY OF LA PORTE, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Streets:				
Personnel services	\$ 1,611,810	\$ 1,661,444	\$ 1,622,827	\$ 38,617
Supplies	166,759	155,408	145,979	9,429
Other services and charges	770,526	737,471	718,750	18,721
Capital outlay	-	-	-	-
Total Streets	<u>2,549,095</u>	<u>2,554,323</u>	<u>2,487,556</u>	<u>66,767</u>
Total Public Works	<u>2,911,524</u>	<u>2,915,023</u>	<u>2,843,969</u>	<u>71,054</u>
Health and Sanitation				
Residential Solid Waste:				
Personnel services	1,199,039	1,188,887	1,146,890	41,997
Supplies	265,391	254,231	243,128	11,103
Other services and charges	<u>1,042,267</u>	<u>1,068,960</u>	<u>1,067,547</u>	<u>1,413</u>
Total Residential Solid Waste	<u>2,506,697</u>	<u>2,512,078</u>	<u>2,457,565</u>	<u>54,513</u>
Total Health and Sanitation	<u>2,506,697</u>	<u>2,512,078</u>	<u>2,457,565</u>	<u>54,513</u>
Culture & Recreation				
Park Maintenance:				
Personnel services	1,292,561	1,357,624	1,355,885	1,739
Supplies and materials	127,720	127,186	121,072	6,114
Other services and charges	773,445	1,070,613	1,069,178	1,435
Capital outlay	<u>48,180</u>	<u>29,813</u>	<u>29,813</u>	<u>-</u>
Total Park Maintenance	<u>2,241,906</u>	<u>2,585,236</u>	<u>2,575,948</u>	<u>9,288</u>
Recreation:				
Personnel services	492,648	560,111	554,459	5,652
Supplies	34,258	34,689	33,767	922
Other services and charges	<u>190,631</u>	<u>43,036</u>	<u>42,031</u>	<u>1,005</u>
Total Recreation	<u>717,537</u>	<u>637,836</u>	<u>630,257</u>	<u>7,579</u>
Special Services:				
Personnel services	371,675	381,330	358,950	22,380
Supplies	22,406	20,126	18,620	1,506
Other services and charges	<u>50,367</u>	<u>51,851</u>	<u>51,649</u>	<u>202</u>
Total Special Services	<u>444,448</u>	<u>453,307</u>	<u>429,219</u>	<u>24,088</u>

**CITY OF LA PORTE, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Parks Administration:				
Personnel services	\$ 503,859	\$ 536,819	\$ 535,497	\$ 1,322
Supplies	7,100	7,696	7,439	257
Other services and charges	26,058	25,425	24,483	942
Total Parks Administration	<u>537,017</u>	<u>569,940</u>	<u>567,419</u>	<u>2,521</u>
Golf Course - Club House:				
Personnel services	426,103	432,464	428,920	3,544
Supplies	59,340	66,931	65,644	1,287
Other charges and services	73,576	53,520	50,614	2,906
Total Golf Course - Club House	<u>559,019</u>	<u>552,915</u>	<u>545,178</u>	<u>7,737</u>
Golf Course - Club House:				
Personnel services	623,838	644,651	631,065	13,586
Supplies	146,970	146,743	140,922	5,821
Other charges and services	159,700	153,700	143,652	10,048
Total Golf Course - Club House	<u>930,508</u>	<u>945,094</u>	<u>915,639</u>	<u>29,455</u>
Total Culture & Recreation	<u>5,430,435</u>	<u>5,744,328</u>	<u>5,663,660</u>	<u>80,668</u>
Total General Fund	<u>\$ 39,267,182</u>	<u>\$ 38,696,926</u>	<u>\$ 37,755,049</u>	<u>\$ 941,877</u>

## CITY OF LA PORTE, TEXAS

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS

SEPTEMBER 30, 2015

	Vehicle Replacement Fund	Employee Health Insurance	Technology	Total
<b>Assets</b>				
Current Assets:				
Cash and cash equivalents	\$ 1,959,083	\$ 1,617,102	\$ 1,000,133	\$ 4,576,318
Investments	849,455	701,364	433,688	1,984,507
Due from other governments	-	119,927	-	119,927
Other receivables	1,284	1,576	643	3,503
Inventories	33,804	-	-	33,804
Total Current Assets	<u>2,843,626</u>	<u>2,439,969</u>	<u>1,434,464</u>	<u>6,718,059</u>
Non-Current Assets:				
Capital Assets:				
Equipment and furniture	16,140,445	-	285,961	16,426,406
Less accumulated depreciation	( 8,148,471)	-	( 137,688)	( 8,286,159)
Total Non-Current Assets	<u>7,991,974</u>	<u>-</u>	<u>148,273</u>	<u>8,140,247</u>
Total Assets	<u>10,835,600</u>	<u>2,439,969</u>	<u>1,582,737</u>	<u>14,858,306</u>
<b>Liabilities</b>				
Current Liabilities:				
Accounts payable	121,653	6,742	16,410	144,805
Accrued liabilities	29,951	-	-	29,951
Unearned revenue	-	536	-	536
Claims and judgements	-	439,693	-	439,693
Total Current Liabilities	<u>151,604</u>	<u>446,971</u>	<u>16,410</u>	<u>614,985</u>
Non-Current Liabilities:				
Compensated absences	51,683	-	-	51,683
Total Non-Current Liabilities	<u>51,683</u>	<u>-</u>	<u>-</u>	<u>51,683</u>
Total Liabilities	<u>203,287</u>	<u>446,971</u>	<u>16,410</u>	<u>666,668</u>
<b>Net Position</b>				
Investment in capital assets	7,991,974	-	148,273	8,140,247
Unrestricted	2,640,339	1,992,998	1,418,054	6,051,391
Total Net Position	<u>\$ 10,632,313</u>	<u>\$ 1,992,998</u>	<u>\$ 1,566,327</u>	<u>\$ 14,191,638</u>

## CITY OF LA PORTE, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICES FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Vehicle Replacement Fund	Employee Health Insurance	Technology	Total
Revenues				
Charges for services	\$ 2,663,048	\$ 5,312,912	\$ 476,688	\$ 8,452,648
Total Operating Revenues	<u>2,663,048</u>	<u>5,312,912</u>	<u>476,688</u>	<u>8,452,648</u>
Operating Expenses				
Personnel services	712,199	-	-	712,199
Supplies and materials	289,230	-	117,222	406,452
Other expenses	112,283	6,067,443	-	6,179,726
Depreciation	<u>1,170,062</u>	<u>-</u>	<u>28,891</u>	<u>1,198,953</u>
Total Operating Expenses	<u>2,283,774</u>	<u>6,067,443</u>	<u>146,113</u>	<u>8,497,330</u>
Operating income (loss)	379,274	( 754,531)	330,575	( 44,682)
Non-Operating Revenues (Expenses)				
Earnings on investments	10,039	5,528	4,750	20,317
Gain (loss) on disposal of capital assets	<u>( 106,833)</u>	<u>-</u>	<u>( 2,788)</u>	<u>( 109,621)</u>
Total Non-Operating Revenues (Expenses)	<u>( 96,794)</u>	<u>5,528</u>	<u>1,962</u>	<u>( 89,304)</u>
Income (loss) before transfers	282,480	( 749,003)	332,537	( 133,986)
Capital contributions	-	-	-	-
Transfers in	15,963	1,979,646	-	1,995,609
Transfers out	<u>( 13,236)</u>	<u>-</u>	<u>-</u>	<u>( 13,236)</u>
Change in net position	285,207	1,230,643	332,537	1,848,387
Total net position - beginning	<u>10,347,106</u>	<u>762,355</u>	<u>1,233,790</u>	<u>12,343,251</u>
Total net position - ending	<u>\$ 10,632,313</u>	<u>\$ 1,992,998</u>	<u>\$ 1,566,327</u>	<u>\$ 14,191,638</u>

## CITY OF LA PORTE, TEXAS

STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Vehicle Replacement Fund	Employee Health Insurance	Technology	Total
Cash Flows from Operating Activities				
Receipts from customers and users	\$ 2,663,048	\$ 5,312,703	\$ 483,072	\$ 8,458,823
Disbursed for personnel services	( 711,651)	( 135,656)	-	( 847,307)
Disbursed for goods and services	( 304,167)	( 6,063,367)	( 103,015)	( 6,470,549)
Net Cash Provided (Used) by Operating Activities	<u>1,647,230</u>	<u>( 886,320)</u>	<u>380,057</u>	<u>1,140,967</u>
Cash Flows from Non-Capital Financing Activities				
Transfers from other funds	15,963	1,979,646	-	1,995,609
Transfers to other funds	( 13,236)	-	-	( 13,236)
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>2,727</u>	<u>1,979,646</u>	<u>-</u>	<u>1,982,373</u>
Cash Flows from Capital and Related Financing Activities				
Proceeds from the sale of equipment	( 106,833)	-	( 2,788)	( 109,621)
Acquisition and construction of capital assets, net of disposals	( 1,239,089)	-	( 85,066)	( 1,324,155)
Net Cash Used by Capital and Related Financing Activities	<u>( 1,345,922)</u>	<u>-</u>	<u>( 87,854)</u>	<u>( 1,433,776)</u>
Cash Flows from Investing Activities				
Purchase of investments	( 1,976,406)	( 1,631,846)	( 1,009,052)	( 4,617,304)
Sale of investments	2,101,200	1,410,480	1,022,734	4,534,414
Interest received	8,652	5,327	4,694	18,673
Net Cash Provided (Used) by Investing Activities	<u>133,446</u>	<u>( 216,039)</u>	<u>18,376</u>	<u>( 64,217)</u>
Net increase in cash and equivalents	437,481	877,287	310,579	1,625,347
Cash and cash equivalents - beginning of year	1,521,602	739,815	689,554	2,950,971
Cash and cash equivalents - end of year	<u>\$ 1,959,083</u>	<u>\$ 1,617,102</u>	<u>\$ 1,000,133</u>	<u>\$ 4,576,318</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating income (loss)	\$ 379,274	\$( 754,531)	\$ 330,575	\$( 44,682)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	1,170,062	-	28,891	1,198,953
(Increase) decrease in accounts receivable	-	-	6,384	6,384
Increase (decrease) in claims and judgments payable	-	( 135,656)	-	( 135,656)
Increase (decrease) in accounts payable	97,346	4,076	14,207	115,629
Increase (decrease) in accrued liabilities	5,898	-	-	5,898
Increase (decrease) in compensated absences	( 5,350)	-	-	( 5,350)
Increase (decrease) in unearned revenue	-	( 209)	-	( 209)
Net Cash Provided by Operating Activities	<u>\$ 1,647,230</u>	<u>\$( 886,320)</u>	<u>\$ 380,057</u>	<u>\$ 1,140,967</u>

## STATISTICAL SECTION (Unaudited)

This portion of the City of La Porte, Texas' comprehensive annual financial report presents multiple years of data to provide a historical perspective for understanding the information available in the financial statements, note disclosures, and required supplementary information and for assessing the City's overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	95
Revenue Capacity These schedules contain trend information to help the reader assess the City's most significant local revenue resource.	105
Debt Capacity These schedules contain trend information to help the reader assess the affordability of the City's current levels of outstanding debt and the County's ability to issue additional debt in the future.	110
Economic and Demographic Indicators These schedules contain economic and demographic information to help the reader understand the environment within which the City's financial activities take place.	114
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services and activities performed by the City.	117

## CITY OF LA PORTE, TEXAS

## NET POSITION BY COMPONENT

## LAST TEN FISCAL YEARS

(Amounts in thousands)

(Accrual Basis of Accounting)

	Fiscal Year			
	2006	2007	2008	2009
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 28,424	\$ 27,529	\$ 24,923	\$ 32,667
Restricted	7,363	13,317	16,567	16,170
Unrestricted	18,984	19,986	18,985	16,838
<b>Total Governmental Activities Net Position</b>	<u>54,771</u>	<u>60,832</u>	<u>60,475</u>	<u>65,675</u>
<b>Business-Type Activities</b>				
Net investment in capital assets	29,642	29,481	35,483	40,206
Restricted	2,186	2,185	2,188	1,353
Unrestricted	3,397	3,296	3,799	2,473
<b>Total Business-Type Activities Net Position</b>	<u>35,225</u>	<u>34,962</u>	<u>41,470</u>	<u>44,032</u>
<b>Primary Government</b>				
Net investment in capital assets	58,066	57,010	60,406	72,874
Restricted	9,549	15,501	18,755	17,523
Unrestricted	22,380	23,281	22,785	19,311
<b>Total Primary Government Net Position</b>	<u>\$ 89,995</u>	<u>\$ 95,792</u>	<u>\$ 101,946</u>	<u>\$ 109,708</u>

		Fiscal Year									
		2010	2011	2012	2013	2014	2015				
\$	35,195	\$	37,324	\$	46,814	\$	49,304	\$	54,506	\$	43,583
	18,108		8,060		8,728		8,902		11,088		14,508
	13,904		26,859		21,621		22,530		18,635		21,693
	67,207		72,243		77,163		80,736		84,229		79,783
	40,595		37,606		37,567		36,347		35,873		34,808
	1,460		680		559		2,096		1,931		1,251
	2,027		4,199		3,791		2,301		2,669		4,111
	44,082		42,485		41,917		40,744		40,473		40,170
	75,790		74,930		84,381		85,651		90,379		78,390
	19,568		8,740		9,287		10,998		13,019		15,758
	15,932		31,058		25,412		24,831		21,304		25,804
\$	111,290	\$	114,728	\$	119,080	\$	121,480	\$	124,702	\$	119,953

**CITY OF LA PORTE, TEXAS**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
(Amounts in thousands)  
(Accrual Basis of Accounting)

	Fiscal Year			
	2006	2007	2008	2009
<b>Expenses</b>				
<b>Governmental Activities:</b>				
General government	\$ 7,349	\$ 8,411	\$ 10,056	\$ 11,443
Public safety	11,603	12,153	16,267	15,495
Public works	5,210	3,668	4,348	8,095
Health, welfare and sanitation	1,862	2,488	2,465	2,379
Culture and recreation	3,580	3,120	4,004	4,223
Interest on long-term debt	1,226	1,353	1,695	1,527
<b>Total Governmental Activities Expenses</b>	<u>30,830</u>	<u>31,193</u>	<u>38,835</u>	<u>43,162</u>
<b>Business-Type Activities:</b>				
Water services	6,845	6,548	6,631	4,833
Sewer services	1,894	2,087	2,247	2,603
Airport	123	124	156	183
Bay Forest Golf Course	1,285	1,311	1,362	1,437
Sylvan Beach Convention Center	215	218	225	26
<b>Total Business-Type Activities Expenses</b>	<u>10,362</u>	<u>10,288</u>	<u>10,621</u>	<u>9,082</u>
<b>Total Primary Government Expenses</b>	<u>41,192</u>	<u>41,481</u>	<u>49,456</u>	<u>52,244</u>
<b>Program Revenue</b>				
<b>Governmental Activities:</b>				
Charges for services				
General government	1,002	2,007	2,725	3,061
Public safety	1,333	435	591	1,681
Public works	-	-	-	-
Health, welfare and sanitation	1,771	1,856	1,889	1,849
Culture and recreation	430	418	418	448
Operating grants and contributions	1,031	992	4,648	5,165
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital grants and contributions	-	-	-	-
General government	-	-	235	1,260
Public works	-	-	-	-
<b>Total Governmental Activities Program Revenues</b>	<u>5,567</u>	<u>5,708</u>	<u>10,506</u>	<u>13,464</u>
<b>Business-Type Activities:</b>				
Charges for services				
Water services	5,439	4,790	6,133	4,520
Sewer services	2,842	2,764	3,670	3,363
Airport	36	42	65	53
Bay Forest Golf Course	956	911	1,032	1,067
Sylvan Beach Convention Center	163	189	161	2
Capital grants and contributions	-	1,061	2,338	1,786
<b>Total Business-Type Activities Program Revenues</b>	<u>9,436</u>	<u>9,757</u>	<u>13,399</u>	<u>10,791</u>
<b>Total Primary Government Program Revenues</b>	<u>15,003</u>	<u>15,465</u>	<u>23,905</u>	<u>24,255</u>
<b>Net (Expense)/Revenue</b>				
Government activities	( 25,263)	( 25,486)	( 28,331)	( 29,699)
Business-type activities	( 926)	( 530)	2,777	1,710
<b>Total Primary Government Net Expense</b>	<u>( 26,189)</u>	<u>( 26,016)</u>	<u>( 25,554)</u>	<u>( 27,989)</u>

Fiscal Year						
2010	2011	2012	2013	2014	2015	
\$ 11,497	\$ 14,575	\$ 14,091	\$ 13,854	\$ 14,115	\$ 12,962	
17,109	16,306	17,375	17,765	20,436	19,082	
4,601	6,280	3,784	4,451	6,260	4,088	
2,521	2,453	2,424	2,328	2,519	5,748	
6,483	6,033	6,361	5,722	5,855	3,497	
1,557	1,871	1,268	1,385	1,404	1,585	
<u>43,768</u>	<u>47,518</u>	<u>45,303</u>	<u>45,505</u>	<u>50,589</u>	<u>46,963</u>	
5,721	5,720	7,692	8,206	7,731	5,064	
2,674	2,674	2,932	2,599	2,802	4,347	
181	181	213	210	230	230	
1,485	1,485	-	-	-	-	
-	-	-	-	-	-	
<u>10,061</u>	<u>10,060</u>	<u>10,837</u>	<u>11,015</u>	<u>10,763</u>	<u>9,642</u>	
<u>53,829</u>	<u>57,578</u>	<u>56,140</u>	<u>56,520</u>	<u>61,352</u>	<u>56,604</u>	
3,116	712	844	646	826	3,981	
1,593	3,506	3,128	3,314	3,208	1,665	
1,067	330	268	266	270	337	
1,842	2,046	2,197	2,204	2,223	2,255	
661	1,474	1,385	1,444	1,509	2,057	
1,004	-	-	-	-	-	
-	8	240	3	3	-	
-	611	431	433	546	307	
-	428	766	20	258	23	
-	107	78	393	1,208	1	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	1	1	-	-	3,030	
<u>9,283</u>	<u>9,223</u>	<u>9,338</u>	<u>8,723</u>	<u>10,051</u>	<u>13,657</u>	
3,850	6,267	6,055	5,694	5,407	4,309	
3,307	3,535	3,601	3,420	3,423	3,588	
53	56	60	55	56	59	
1,002	-	-	-	-	-	
-	-	-	-	-	-	
<u>860</u>	<u>1,442</u>	<u>859</u>	<u>1,398</u>	<u>1,126</u>	<u>-</u>	
<u>9,072</u>	<u>11,300</u>	<u>10,575</u>	<u>10,567</u>	<u>10,012</u>	<u>7,956</u>	
<u>18,355</u>	<u>20,523</u>	<u>19,913</u>	<u>19,290</u>	<u>20,063</u>	<u>21,613</u>	
( 34,485)	( 38,295)	( 35,965)	( 36,782)	( 40,537)	( 33,306)	
( 989)	1,239	( 261)	( 447)	( 752)	( 34,205)	
<u>( 35,474)</u>	<u>( 37,056)</u>	<u>( 36,226)</u>	<u>( 37,229)</u>	<u>( 41,289)</u>	<u>( 67,510)</u>	

## CITY OF LA PORTE, TEXAS

## CHANGES IN NET POSITION

## LAST TEN FISCAL YEARS

(Amounts in thousands)

(Accrual Basis of Accounting)

	Fiscal Year			
	2006	2007	2008	2009
<b>General Revenues and Other Changes in Net Position</b>				
<b>Governmental Activities:</b>				
Property taxes	\$ 11,816	\$ 12,197	\$ 13,066	\$ 13,683
Industrial payments	6,992	7,660	8,189	7,959
Sales and use taxes	3,460	4,068	5,736	5,803
Franchise taxes	1,886	1,987	2,004	2,165
Investment earnings	720	1,875	2,387	1,783
Other revenues	857	1,213	89	115
Gain/(Loss) no sale of capital assets	-	-	-	-
Transfers	382	( 3,910)	76	( 3,533)
<b>Total Governmental Activities</b>	<u>26,113</u>	<u>25,090</u>	<u>31,547</u>	<u>27,975</u>
<b>Business-Type Activities:</b>				
Investment earnings	165	300	343	199
Other revenues	827	695	-	-
Gain/(Loss) on sale of capital assets	-	( 16)	-	-
Transfers	( 382)	3,910	( 76)	3,533
<b>Total Business-Type Activities</b>	<u>610</u>	<u>4,889</u>	<u>267</u>	<u>3,732</u>
<b>Total Primary Government</b>	<u>26,723</u>	<u>29,979</u>	<u>31,814</u>	<u>31,707</u>
<b>Change in Net Position</b>				
Governmental activities	850	( 396)	3,215	( 1,725)
Business-type activities	( 315)	4,359	3,044	5,442
<b>Total Primary Government</b>	<u>\$ 535</u>	<u>\$ 3,963</u>	<u>\$ 6,259</u>	<u>\$ 3,717</u>

Fiscal Year						
2010	2011	2012	2013	2014	2015	
\$ 16,391	\$ 17,742	\$ 17,251	\$ 17,782	\$ 19,925	\$ 20,766	
10,555	10,732	10,471	11,108	11,555	12,269	
5,787	5,914	8,267	8,718	10,105	10,744	
2,160	2,171	2,312	2,184	2,252	2,412	
688	294	143	84	106	204	
93	164	168	432	459	164	
-	-	1,941	-	-	-	
( 779)	( 1,000)	334	720	( 371)	( 1,505)	
<u>34,895</u>	<u>36,017</u>	<u>40,887</u>	<u>41,028</u>	<u>44,031</u>	<u>45,054</u>	
73	39	12	8	9	25	
-	-	16	36	100	-	
-	-	-	-	-	-	
<u>779</u>	<u>1,000</u>	<u>( 334)</u>	<u>( 720)</u>	<u>371</u>	<u>1,505</u>	
<u>852</u>	<u>1,039</u>	<u>( 306)</u>	<u>( 676)</u>	<u>480</u>	<u>1,530</u>	
<u>35,747</u>	<u>37,056</u>	<u>40,581</u>	<u>40,352</u>	<u>44,511</u>	<u>46,584</u>	
410	( 2,278)	4,922	4,244	3,493	11,749	
( 137)	<u>2,279</u>	( 568)	( 1,124)	( 271)	<u>631</u>	
<u>\$ 273</u>	<u>\$ 1</u>	<u>\$ 4,354</u>	<u>\$ 3,120</u>	<u>\$ 3,222</u>	<u>\$ 12,380</u>	

## CITY OF LA PORTE, TEXAS

## FUND BALANCES - GOVERNMENTAL FUNDS

**LAST TEN FISCAL YEARS**  
**(Amounts in thousands)**  
**(Modified Accrual Basis of Accounting)**

	Fiscal Year			
	2006	2007	2008	2009
<b>General Fund</b>				
Nonspendable	\$ 70	\$ 83	\$ 105	\$ 102
Committed	-	-	-	-
Assigned	126	134	296	199
Unassigned	11,582	14,494	14,405	13,758
<b>Total General Fund</b>	<u>11,778</u>	<u>14,711</u>	<u>14,806</u>	<u>14,059</u>
<b>All Other Governmental Funds</b>				
Restricted	6,705	9,318	8,489	5,813
Committed	18,814	18,660	19,933	17,944
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total All Other Governmental Funds</b>	<u>\$ 25,519</u>	<u>\$ 27,978</u>	<u>\$ 28,422</u>	<u>\$ 23,757</u>

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 135	\$ 139	\$ 94	\$ 125	\$ 103	\$ 89
-	-	-	3,500	8,500	7,000
151	96	30	104	78	257
<u>12,274</u>	<u>19,119</u>	<u>23,839</u>	<u>23,856</u>	<u>21,294</u>	<u>25,217</u>
<u>12,560</u>	<u>19,354</u>	<u>23,963</u>	<u>27,585</u>	<u>29,975</u>	<u>32,563</u>
7,644	14,084	12,573	12,194	14,177	24,421
20,331	9,079	6,553	5,586	2,962	1,917
7	-	-	-	-	-
-	-	( 31)	-	( 1)	-
<u>\$ 27,982</u>	<u>\$ 23,163</u>	<u>\$ 19,095</u>	<u>\$ 17,780</u>	<u>\$ 17,138</u>	<u>\$ 26,338</u>

## CITY OF LA PORTE, TEXAS

## CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS

## LAST TEN FISCAL YEARS

(Amounts in thousands)

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2006	2007	2008	2009
<b>Revenues</b>				
Taxes	\$ 25,688	\$ 28,919	\$ 30,060	\$ 34,930
Donations	-	30	-	-
Licenses and permits	683	920	560	642
Fines and forfeitures	848	1,244	1,726	1,833
Charges for services	3,888	3,967	3,958	4,470
Intergovernmental	1,174	716	4,755	4,868
Interest	1,709	2,117	1,883	610
Miscellaneous	163	77	90	105
<b>Total Revenues</b>	<u>34,153</u>	<u>37,990</u>	<u>43,032</u>	<u>47,458</u>
<b>Expenditures</b>				
General government	7,237	7,696	8,418	9,869
Public safety	11,072	11,769	15,610	13,859
Public works	2,360	2,407	2,909	6,664
Health and sanitation	1,814	1,973	2,479	2,087
Culture and recreation	3,011	3,103	3,470	3,817
Debt service:				
Principal	1,195	1,235	1,655	1,695
Interest	1,180	1,428	1,758	1,572
Bond issuance cost	195	154	-	-
Capital outlay	6,550	10,013	6,351	15,557
<b>Total Expenditures</b>	<u>34,614</u>	<u>39,778</u>	<u>42,650</u>	<u>55,120</u>
Excess of revenues over (under) expenditures	( 459)	( 1,789)	3,838	( 7,662)
<b>Other Financing Sources (Uses)</b>				
General obligation bonds issued	6,965	8,075	-	-
Refunding bonds issued	-	-	-	-
Certificate obligation bonds issued	-	-	-	-
Premium on refunding bonds issued	191	38	-	-
Premium on certificate obligations	-	-	-	-
Payment to refunding bond escrow agent	6,056	4,197	7,625	14,232
Transfers in	( 7,533)	( 5,148)	( 7,501)	( 12,119)
Transfers out	90	21	32	137
Sale of capital assets	-	-	-	-
Insurance recoveries	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>5,769</u>	<u>7,183</u>	<u>156</u>	<u>2,250</u>
Net change in fund balances	\$ <u>5,308</u>	\$ <u>5,395</u>	\$ <u>538</u>	\$ <u>( 5,412)</u>
Debt services as a percentage of noncapital expenditures	9.2%	9.5%	9.4%	8.3%

TABLE 4

Fiscal Year						
2010	2011	2012	2013	2014	2015	
\$ 36,682	\$ 35,761	\$ 38,353	\$ 39,835	\$ 43,837	\$ 46,155	
-	-	-	-	-	-	
476	313	465	368	498	1,347	
1,803	1,724	1,758	1,887	1,791	1,954	
6,084	5,680	5,957	6,009	6,305	6,995	
989	917	1,239	568	1,572	3,195	
263	193	129	76	97	184	
125	242	36	426	261	399	
<u>46,422</u>	<u>44,830</u>	<u>47,937</u>	<u>49,169</u>	<u>54,361</u>	<u>60,228</u>	
9,788	10,289	10,462	11,043	13,828	11,953	
14,612	15,688	15,752	16,322	17,428	17,699	
2,819	3,118	3,439	3,247	3,433	2,916	
2,233	2,182	2,226	2,244	2,334	2,458	
5,048	5,314	5,261	5,227	5,441	5,728	
1,755	1,740	2,170	2,365	2,640	4,626	
1,388	1,871	1,520	1,385	1,218	1,590	
200	-	151	-	154	-	
10,843	8,714	8,583	5,500	5,446	6,332	
<u>48,686</u>	<u>48,916</u>	<u>49,564</u>	<u>47,333</u>	<u>51,922</u>	<u>53,300</u>	
( 2,264)	( 4,085)	( 1,627)	1,835	2,439	6,928	
6,265	-	-	-	-	-	
4,295	-	9,435	-	9,300	-	
-	-	-	-	-	7,770	
225	-	364	-	608	-	
-	-	-	-	-	366	
( 4,410)	-	( 9,639)	-	( 9,749)	-	
9,158	4,248	2,711	3,884	3,912	3,069	
( 10,545)	( 5,012)	( 2,644)	( 3,630)	( 4,761)	( 6,556)	
5	6,822	1,941	215	-	-	
-	-	-	-	-	211	
<u>4,993</u>	<u>6,058</u>	<u>2,168</u>	<u>469</u>	<u>( 690)</u>	<u>4,859</u>	
\$ <u>2,729</u>	\$ <u>1,972</u>	\$ <u>541</u>	\$ <u>2,305</u>	\$ <u>1,749</u>	\$ <u>11,787</u>	
8.8%	9.0%	9.4%	9.0%	8.3%	13.2%	

CITY OF LA PORTE, TEXAS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEAR  
(Unaudited)

Fiscal Year	Tax Year	Real Property	Personal Property	Less Tax Exempt Real Property	Less Other Exemptions and Abatements	Total Taxable		Total Direct Tax Rate	Estimated Actual Taxable Value		Assessed Value as a Percent of Actual Taxable Value
						Assessed Value	Value		Actual Taxable Value	Value	
2006	2005	\$ 1,777,351,563	\$ 325,549,640	\$ -	\$ 407,734,605	\$ 1,695,166,598	0.710000	\$ 1,695,166,598	100%		
2007	2006	1,861,821,075	350,191,031	-	419,779,423	1,792,232,683	0.710000	1,792,232,683	100		
2008	2007	2,007,113,146	372,331,715	-	428,955,092	1,950,489,769	0.710000	1,950,489,769	100		
2009	2008	2,237,095,319	469,916,389	-	502,091,647	2,204,920,061	0.710000	2,204,920,061	100		
2010	2009	2,261,046,846	582,963,159	-	515,111,496	2,328,898,509	0.710000	2,328,898,509	100		
2011	2010	2,055,914,368	672,621,147	-	514,928,797	2,213,606,718	0.710000	2,213,606,718	100		
2012	2011	2,079,843,021	720,515,678	-	535,441,621	2,264,917,078	0.710000	2,264,917,078	100		
2013	2012	2,080,199,179	797,558,553	-	536,721,284	2,341,036,448	0.710000	2,341,036,448	100		
2014	2013	2,176,582,621	986,494,475	-	590,232,231	2,572,844,865	0.710000	2,572,844,865	100		
2015	2014	2,626,580,963	745,093,978	-	617,133,762	2,754,541,179	0.710000	2,754,541,179	100		

Source: Harris County Certified Tax Rolls and Corrections.

## CITY OF LA PORTE, TEXAS

## PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

## LAST TEN FISCAL YEARS

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
City of La Porte by fund:				
General	0.61100	0.61200	0.61900	0.61900
Debt service	<u>0.09900</u>	<u>0.09800</u>	<u>0.09100</u>	<u>0.09100</u>
<b>Total Direct Rates</b>	<u>0.71000</u>	<u>0.71000</u>	<u>0.71000</u>	<u>0.71000</u>
Harris County Flood Control District	0.03241	0.03106	0.03086	0.02922
Harris County	0.40239	0.39239	0.39823	0.39224
Port of Houston Authority	0.01302	0.01437	0.01773	0.01636
Harris County Board of Education	0.00629	0.00585	0.00584	0.00605
Hospital District	0.19216	0.19216	0.19216	0.19216
La Porte I.S.D.	1.73400	1.30500	1.32500	1.32500
San Jacinto Jr. College District	<u>0.14537</u>	<u>0.14537</u>	<u>0.16341</u>	<u>0.17080</u>
<b>Total Direct and Overlapping Rates</b>	<u><u>3.23564</u></u>	<u><u>2.79620</u></u>	<u><u>2.84323</u></u>	<u><u>2.84183</u></u>

Tax rates per \$100 of assessed valuation  
Source: Harris County Appraisal District

TABLE 6

2010	2011	2012	2013	2014	2015
0.61900	0.60500	0.60500	0.64000	0.61400	0.60500
0.09100	0.10500	0.10500	0.07000	0.09600	0.10500
0.71000	0.71000	0.71000	0.71000	0.71000	0.71000
0.02923	0.02809	0.02809	0.02827	0.02736	0.02733
0.38805	0.39117	0.40021	0.41455	0.41731	0.41923
0.02054	0.01856	0.01952	0.01716	0.01531	0.01342
0.00658	0.00658	0.00662	0.00636	0.00600	0.00540
0.19216	0.19216	0.18216	0.17000	0.17000	0.17000
1.32500	1.35500	1.33000	1.33000	1.33000	1.45000
0.17628	0.18560	0.18560	0.18560	0.18560	0.17578
2.84784	2.88716	2.86220	2.86194	2.86158	2.97116

TABLE 7

**CITY OF LA PORTE, TEXAS**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND 9 YEARS AGO**

Property Tax Payer	2015			2006			% of Taxable Assessed Value
	Taxable Assessed Value	Rank	% of Taxable Assessed Value	Property Tax Payer	Taxable Assessed Value	Rank	
Nov Wilson L.P.	\$ 70,369,403	1	2.55%	Conoco Phillips, Inc.	\$ 54,702,820	1	2.78%
Equistar Chemicals L.P.	54,818,392	2	1.99%	Oxy Vynyls L.L.	49,177,149	2	2.75%
Conoco Phillips, Inc.	54,702,459	3	1.99%	Equistar Chemical L.P.	45,219,482	3	2.55%
Granite Underwood Dist. Ctr. L.P.	48,370,200	4	1.76%	BP Solvay	37,068,510	4	2.15%
Oxy Vynyls L.L.	40,697,859	5	1.48%	PPG Industries	32,016,935	5	1.35%
Exxon Mobil Corp	39,961,027	6	1.45%	Dupont Dow Elastomers	25,986,060	6	1.35%
Underwood Distribution Ctr. L.P.	39,941,785	7	1.45%	Centerpoint Energy	24,651,811	7	1.33%
Ineos USA L.L.C.	37,999,780	8	1.38%	Dow Chemicals	20,576,356	8	1.26%
Port Crossing Land L.P.	27,187,079	9	0.99%	Attofina Petrochemicals	20,215,323	9	1.17%
Dow Chemical	26,137,549	10	0.95%	PPG Industries	14,643,050	10	0.76%
Subtotal	440,185,533		15.99%		324,257,496		17.45%
Other Taxpayers	2,314,355,646		84.01%		1,310,631,444		82.55%
Total	\$ 2,754,541,179		100.00%		\$ 1,634,888,940		100.00%

Source: City of La Porte Tax Assessor-Collector's records.

**CITY OF LA PORTE, TEXAS**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended Sept 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amounts	Percentage of Levy
2006	\$ 12,080,351	\$ 11,755,121	97.3%	\$ 278,102	\$ 12,033,223	99.6%
2007	12,703,850	12,418,873	97.8%	247,655	12,566,528	99.7%
2008	13,857,467	13,476,872	97.3%	355,344	13,832,216	99.8%
2009	15,654,937	15,377,149	98.2%	235,260	15,612,409	99.7%
2010	16,542,483	16,309,818	98.6%	150,949	16,460,767	99.5%
2011	15,871,498	15,599,930	98.3%	220,779	15,820,709	99.7%
2012	16,080,911	15,860,664	98.6%	176,608	16,037,272	99.7%
2013	16,621,361	16,518,207	99.4%	97,385	16,615,592	100.0%
2014	18,267,201	18,090,456	99.0%	209,191	18,090,456	99.0%
2015	19,514,402	19,304,486	98.9%	-	19,304,486	98.9%

**CITY OF LA PORTE, TEXAS**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(Dollars in thousands, except per capita)**

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Obligation Bonds	Limited Tax Bonds	Revenue Bonds	Other * Obligations				
2006	\$ 12,610	\$ 16,405	\$ 5,130	\$ 375	\$ 8,680	\$ 43,200	N/A	\$ 1,240	
2007	12,070	24,055	4,860	250	7,958	49,193	N/A	1,413	
2008	11,475	23,265	4,590	125	7,210	46,665	N/A	1,320	
2009	10,870	22,445	4,320	-	6,443	44,078	N/A	1,241	
2010	11,665	26,350	4,050	-	5,660	47,725	N/A	1,298	
2011	10,940	25,605	3,780	-	4,813	45,138	N/A	1,322	
2012	17,050	20,150	1,620	-	3,945	42,765	N/A	1,212	
2013	16,875	18,905	1,350	-	3,117	40,248	N/A	1,165	
2014	23,726	10,845	540	-	2,208	37,319	N/A	1,072	
2015	21,220	17,230	-	-	930	39,380	N/A	891	

**Note:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
 See Demographic and Economic Statistics for personal income and population data.  
 \* - Includes premium on bonds.

**CITY OF LA PORTE, TEXAS**

**RATIO OF GENERAL BONDED DEBT TO TAXABLE VALUE  
GENERAL BONDED DEBT PER CAPITA,  
AND TAXABLE VALUE OF ALL PROPERTY**

**LAST TEN FISCAL YEARS  
(Dollars in thousands, except per capita)**

Fiscal Year	Tax Year	General Obligation Bonds	Certificates of Obligation	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Percentage of Personal Income <sup>(2)</sup>	Per Capita <sup>(2)</sup>
2006	2005	\$ 17,740	\$ 16,405	\$ 1,705	\$ 32,440	1.9%	N/A	\$ 772
2007	2006	16,930	24,055	1,814	39,171	2.2%	N/A	928
2008	2007	16,065	23,265	1,926	37,404	1.9%	N/A	1,105
2009	2008	15,190	22,445	2,000	35,635	1.6%	N/A	1,051
2010	2009	15,715	26,350	2,151	39,914	1.7%	N/A	965
2011	2010	14,720	25,605	3,118	37,207	1.7%	N/A	1,152
2012	2011	18,670	20,150	3,113	35,707	1.6%	N/A	1,090
2013	2012	18,225	18,905	2,490	34,640	1.5%	N/A	1,165
2014	2013	24,266	10,845	2,769	32,342	1.3%	N/A	1,072
2015	2014	21,220	17,230	3,161	35,289	1.3%	N/A	1,006

**Note:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(2) Population data can be found in demographic and economic statistics table.

## CITY OF LA PORTE, TEXAS

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

SEPTEMBER 30, 2015

(Dollars in thousands, except per capita)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
<b>Debt Repaid with Property Taxes</b>			
Harris County	\$ 2,017,546,350	0.80%	\$ 16,140,371
Harris County Department of Education	7,210,000	0.80%	57,680
Harris County Flood Control District	87,400,000	0.80%	699,200
Harris County Toll Road	-	0.80%	-
La Porte I.S.D.	346,380,000	37.54%	130,031,052
Port of Houston Authority	702,379,397	0.80%	5,619,035
San Jacinto Jr. College District	<u>278,419,848</u>	6.07%	<u>16,900,085</u>
<b>Total Net Overlapping Debt</b>	<b>\$ <u>3,439,335,595</u></b>		<b>169,447,423</b>
<b>City of La Porte Direct Debt <sup>b</sup></b>	<b>38,712,500</b>	<b>100%</b>	<b><u>38,712,500</u></b>
<b>Total Direct and Overlapping Debt</b>			<b>\$ <u>208,159,923</u></b>

<sup>b</sup> Approximately \$16,152,236 of the City's outstanding debt is self-supporting

Source: Texas Municipal Reports

Percentages are based on total property values

**CITY OF LA PORTE, TEXAS**

**PLEDGED-REVENUE COVERAGE**

**LAST TEN FISCAL YEARS**

Fiscal Year	Gross Revenues <sup>(1)</sup>	Operating Expenses <sup>(2)</sup>	Revenues Available for Debt Service	Debt Service			Coverage
				Principal	Interest	Total	
2006	\$ 1,981,499	\$ 1,033,533	\$ 947,966	\$ 445,000	\$ 326,719	\$ 771,719	1.2
2007	1,992,432	721,936	1,270,496	460,000	300,700	760,700	1.7
2008	1,924,230	769,802	1,154,428	485,000	273,531	758,531	1.5
2009	1,853,104	852,421	1,000,683	505,000	245,069	750,069	1.3
2010	1,814,987	918,181	896,806	525,000	181,992	706,992	1.3
2011	2,062,788	1,091,627	971,161	585,000	104,488	689,488	1.4
2012	2,052,666	1,375,269	677,397	605,000	88,150	693,150	1.0
2013	2,011,550	1,036,505	975,045	625,000	53,566	678,566	1.4
2014	1,988,477	880,489	1,107,988	630,000	58,650	688,650	1.6
2015	1,906,727	1,215,561	691,166	650,000	21,737	671,737	1.0

<sup>(1)</sup> Total revenues including interest

<sup>(2)</sup> Total operating expenses less depreciation

**CITY OF LA PORTE, TEXAS**

**DEMOGRAPHIC AND ECONOMIC STATISTICS**

**LAST TEN FISCAL YEARS**

Fiscal Year Ended Sept. 30,	Population <sup>(1)</sup>	Personal Income <sup>(2)</sup>	Per Capita Personal Income <sup>(2)</sup>	Median Age <sup>(3)</sup>	School Enrollment <sup>(4)</sup>	Unemployment Rate <sup>(5)</sup>
2006	34,825	N/A	N/A	N/A	7,786	4.7%
2007	35,362	N/A	N/A	N/A	7,889	4.4%
2008	35,518	N/A	N/A	N/A	7,940	5.2%
2009	36,779	N/A	N/A	N/A	7,830	9.4%
2010	33,800	N/A	N/A	33	7,781	8.2%
2011	34,138	N/A	N/A	33	7,732	9.0%
2012	35,280	N/A	N/A	33	7,739	6.3%
2013	34,553	N/A	N/A	33	7,729	6.3%
2014	34,813	N/A	N/A	33	7,634	5.0%
2015	35,074	N/A	N/A	33	7,648	4.6%

Data sources:

- (1) Estimated population provided by City staff
- (2) Personal income and per capita personal income is currently unavailable
- (3) Median age data prior to 2010 is not available, median age provided by 2010 Census
- (4) School enrollment provided by La Porte Independent School District
- (5) Unemployment rates provided from the Bureau of Labor Statistics

CITY OF LA PORTE, TEXAS

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	2015			2006		
	Employees	Percentage of Total City Employment	Employer	Employees	Percentage of Total City Employment	Employers
La Porte Independent School District	1,008	8.94%	La Porte I.S.D.	1,000	5.29%	
City of La Porte	383	2.64%	E.I. DuPont De Nemours & Co.	580	3.07%	
International Plant Svcs. L.L.C.	376	2.59%	City of La Porte	368	1.95%	
Sulzer Turbo Svcs. Houston Inc.	330	2.27%	Fumanite Worldwide	334	1.77%	
CCC Group Inc.	300	2.07%	A&L Industrial Services Inc	300	1.59%	
Pfeiffer Holdings L.L.C.	271	1.87%	CCC Group, Inc	300	1.59%	
Contech Control Services Inc.	250	1.72%	Aker Kvaerner Industrial Constructors, Inc	250	1.32%	
Amber LP	250	1.72%	James H. Jackson Industries Inc	250	1.32%	
Cat-Spec Ltd	250	1.72%	Occidental Chemical Corp.	175	0.92%	
Dacon Corporation	200	1.38%	Intercontinental Terminal Co.	160	0.85%	
Total	3,618	26.92%	Total	3,717	19.67%	

Source: Centerpoint Energy

Note: This list includes companies within the City limits of La Porte and within the industrial districts.

## CITY OF LA PORTE, TEXAS

## FULL-TIME EMPLOYEES BY FUNCTION/PROGRAM

## LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government	76	80	79	78	79	90	90	88	88	89
Public safety	138	147	142	143	144	144	151	152	154	154
Public works	32	32	32	32	32	32	32	30	30	30
Health and sanitation	21	21	22	22	22	24	24	23	23	23
Culture and recreation	45	44	45	45	46	46	46	42	42	42
Water services	27	25	25	25	25	25	25	25	24	25
Sewer services	20	20	20	20	20	20	20	20	20	20
Golf course	13	12	12	12	12	-	-	-	-	-
Sylvan Beach Convention Center	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>375</u>	<u>385</u>	<u>381</u>	<u>381</u>	<u>380</u>	<u>381</u>	<u>388</u>	<u>380</u>	<u>381</u>	<u>383</u>

Source: City of La Porte Human Resource Department

## CITY OF LA PORTE, TEXAS

## OPERATING INDICATORS BY FUNCTION/PROGRAM

## LAST TEN FISCAL YEARS

Function/Program	Fiscal Year			
	2006	2007	2008	2009
Police				
Physical arrests	2,465	2,489	2,642	2,737
Tickets processed	8,212	9,652	15,352	16,098
Fire				
Number of calls answered	2,028	1,603	1,799	1,409
Inspections	N/A	600	320	600
Highways and streets				
Street resurfacing (linear feet)	27,835	22,100	19,887	23,559
Potholes repaired	321	1,260	996	1,012
Sanitation				
Cubic yards of garbage collected	30,795	29,279	29,282	29,894
Cubic yards of trash collected	49,140	52,250	48,136	78,900
Culture and recreation				
Fitness center admissions	70,558	62,828	62,245	53,401
Water				
Number of water meters	11,592	11,743	11,913	11,968
Average daily consumption (millions of gallons)	3.9	3.8	4.0	4.0
Water main breaks	483	467	455	498
Wastewater				
Average daily sewage treatment (thousands of gallons)	2.8	3.9	3.2	2.8
Golf course				
Number of paid rounds played	32,731	32,433	35,839	36,009

Source: Various City departments

Notes: N/A - Data not available

Fiscal Year					
2010	2011	2012	2013	2014	2015
2,538	2,354	2,311	2,205	2,032	2,152
16,603	14,619	13,221	13,861	14,151	14,316
1,559	1,483	1,195	1,219	1,262	1,378
690	725	812	950	1,020	383
38,365	60,472	69,580	13,520	11,183	11,172
1,236	465	1,173	271	165	342
29,642	27,961	42,589	30,625	54,812	50,945
43,368	45,778	54,641	32,137	40,701	31,518
78,118	64,989	64,279	64,587	90,765	67,794
12,015	12,061	12,129	12,234	12,321	12,431
3.9	4.6	4.3	4.0	3.8	3.9
417	666	311	379	411	200
3.7	2.8	3.3	2.7	2.6	3.8
31,271	34,848	34,038	32,257	32,741	29,965

## CITY OF LA PORTE, TEXAS

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

## LAST TEN FISCAL YEARS

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public safety										
Police station	1	1	1	1	1	1	1	1	1	1
Police officers	73	74	74	74	75	75	74	74	74	76
Reserve officers	5	6	2	1	2	2	2	6	2	3
Fire stations	4	4	4	4	4	4	4	4	4	4
Sanitation										
Collection trucks	14	14	14	14	14	14	12	12	12	14
Highways and streets										
Streets (miles)	217	211	295	126	126	126	125	297	297	272
Streetlights	1,803	1,804	2,400	2,387	2,387	2,415	2,415	2,415	2,415	2,415
Traffic signals	3	3	3	7	5	5	6	6	6	7
Culture and recreation										
Parks acreage	339	347	347	356	356	356	188	188	188	188
Parks acreage	21	22	22	21	21	21	22	22	22	22
Swimming pools	6	6	6	6	5	5	5	5	5	5
Recreation centers	1	1	1	1	4	4	3	3	2	2
Senior center	1	1	1	1	1	1	1	1	1	1
Water and sewer										
Water mains (miles)	168	176	178	180	180	181	182	183	184	185
Fire hydrants	1,800	1,076	1,161	1,168	1,179	1,186	1,199	1,226	1,256	1,265
Sanitary sewers (miles)	187	189	189	191	191	192	192	192	192	193
Storm sewers (miles)	92	92	92	92	95	97	60	112	112	115

Source: City departments

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>March 14, 2016</u>	Appropriation
Requested By: <u>Kenith Adcox</u>	Source of Funds: <u>Budget</u>
Department: <u>Police</u>	Account Number: <u>0015253521821</u>
Report: <input type="radio"/> Resolution: <input checked="" type="radio"/> Ordinance: <input type="radio"/>	Amount Budgeted: <u>\$44,000.00</u>
Other: <input type="radio"/>	Amount Requested: <u>\$44,000.00</u>
	Budgeted Item: <input type="radio"/> YES <input type="radio"/> NO

**Attachments :**

1. Resolution
2. Body-Worn Camera Program Preliminary Grant Application
3. Body Camera Notice of Funding

---

### SUMMARY & RECOMMENDATIONS

Staff has prepared a state Body Worn Camera grant application for the acquisition of fifty (50) body cameras, a server and UPS, and miscellaneous ancillary items to support the cameras. This project will support body cameras to be fitted to each uniformed patrol officer to visually and audibly document his/her actions and surroundings while on duty in various types of encounters, to include arrests, uses of force, and other such events. The grant is competitive in nature and is being offered through the Criminal Justice Division of the Governor's Office. As part of the grant application process, a Resolution is required designating the City Manager as the authorized official to sign grant documents and accept the grant if awarded.

The total cost of the acquisition would be approximately \$82,990. A preliminary funding allocation has been received from the Criminal Justice Division in the amount of \$38,990. The City of La Porte had previously budgeted \$44,000 to serve as a body camera grant match. These monies will be combined with the awarded grant monies in order to purchase approximately 50 individual body cameras as well as other required hardware and software needed for such a program.

---

**Action Required of Council:**

Consider approval or other action of a Resolution designating the City Manager as the authorized grant official and approving the grant application for the Body Cameras Acquisition Project through the Criminal Justice Division, Office of the Governor, State of Texas.

---

**Approved for City Council Agenda**

\_\_\_\_\_  
**Corby D. Alexander, City Manager**

\_\_\_\_\_  
**Date**



## RESOLUTION

\* \* \* \*

**WHEREAS**, the City of La Porte finds it in the best interest of the citizens of La Porte, that the Police Officer Body Camera Project be acquired through a grant for the year 2016-2017; this grant will aid the City and Police Department in obtaining critical equipment and software to document encounters and interactions with citizens; and

**WHEREAS**, the City of La Porte agrees that in the event of loss or misuse of the Criminal Justice Division funds, the City of La Porte assures that the funds will be returned to the Criminal Justice Division in full; and

**WHEREAS**, the City of La Porte agrees that it will appropriate any matching funds in support of the grant, if applicable; and

**WHEREAS**, the City of La Porte designates the City Manager as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

**NOW THEREFORE, BE IT RESOLVED** that The City of La Porte approves submission of the grant application for the Police Officer Body Camera Project, via a law enforcement grant, to the Office of the Governor, Criminal Justice Division.

Signed by:

---

Authorized Official

**ATTEST:**

---

*City Secretary*

**APPROVED:**

---

*Mayor, City of La Porte*



- Phone: (512) 463-1919
- Fax: (512) 475-2440
- Address: 1100 San Jacinto  
Austin, Texas 78701

- [Home](#)
- [Programs](#)
- [Body-Worn Cameras](#)
- [Contact](#)

## Body-Worn Camera Program Grants

The Criminal Justice Division has announced a new grant program to aid municipal police departments and county sheriff's offices in establishing or enhancing body-worn camera (BWC) programs

**Current program status:** Eligible law enforcement agencies may submit preliminary applications [here](#). The last date to submit preliminary applications is December 7, 2015 by 5PM.

### Quick links:

- [The full Body-Worn Camera Program Funding Announcement](#)
- [Where to submit preliminary applications. Click here.](#)
- [The eGrants system](#), which is used to file final applications.

### Funds Available

It is anticipated that up to \$10 million may be funded under this announcement.

### Process

Applicants will first complete a preliminary application. CJD will then make preliminary funding decisions -- including any limitations on costs or award amount -- and notify each applicant. Selected applicants may then complete a final grant application to receive those funds, as long as they meet all required conditions.

Action	Date
Funding announcement release	October 26, 2015
Preliminary application system opens	October 26, 2015
Preliminary application due from applicants	December 7, 2015 by 5PM CST
Notice of preliminary funding decisions	January 19, 2016
Earliest final applications accepted	January 20, 2016
Final date to submit an final application	July 15, 2016 by 5PM CST
Earliest grantee start date	March 1, 2016
Latest grantee start date	August 15, 2016

### Budget

There is no minimum or maximum request under this program, however, applicants should consider the overall spending cap and CJD's desire to provide resources to as many departments as possible. CJD reserves the right to establish funding limits following receipt of all preliminary applications to provide for broad implementation of the program. Funds may only be used for the one-time purchase of cameras and to procure digital video storage resources (not to exceed one year).

**Match**

Grantees must provide matching funds equal to 25% of the CJD award amount. The match requirement can be met through cash or in-kind contributions. Match funds may not be in the form of discounts or contributions from camera or storage vendors.

**Project Periods**

A project funded may not exceed a 12-month period.

**Organizational Eligibility**

Applications may be submitted by municipal police departments and county sheriff's departments that employ officers who are engaged in traffic or highway patrol, otherwise regularly detain or stop motor vehicles, or are primary responders to calls for assistance from the public.

**Contact Information**

Additional information can be found in the [Body-Worn Camera Program Funding Announcement](#). If further information is needed, contact the eGrants help desk at [eGrants@gov.texas.gov](mailto:eGrants@gov.texas.gov) or (512) 463-1919.

**Frequently Asked Questions**

Q: Is the preliminary application required?

A: Yes, only departments that submit a completed preliminary application on-time will be considered for an award.

Q: Do I use the eGrants system to file my preliminary application?

A: No, use the special form available here (starting October 26th). Applicants who receive a preliminary award will then submit a final application through eGrants.

Q: If I applied for body-worn camera funding last year, will I receive a preference?

A: CJD determine if all eligible applications can be funded based on funds available. If interest in grant funds exceeds available funding, CJD will make funding decisions based on a variety of factors, which may include geographic distribution, fairness among different sizes of population areas, need based on crime rate or other similar factors including economic factors, or other criteria.

Q: Can a sheriff's offices or police department submit a pass-through application for officers in affiliated organizations, such as school districts or constable's offices?

A: No, the Legislature currently restricts the grant program to only municipal police departments and sheriff's offices.

Q: Will there be more funding next year?

A: The Legislature made a one-time appropriation for this program, so there is no guarantee there will be future rounds of funding.

Q: When will I find out how much funding I will be receiving?

A: Applicants will receive preliminary funding decisions around January 19, 2016, which will contain the amount allocated to that department. As long as the applicant submits a complete, valid final application, they will receive the full amount they were allocated.



- Phone: (512) 463-1919
- Fax: (512) 475-2440
- Address: 1100 San Jacinto  
Austin, Texas 78701

- [Home](#)
- [Programs](#)
- [Body-Worn Cameras](#)
- [Contact](#)

### Body-Worn Camera Program Grant Preliminary Application:

Before submitting a preliminary application, make sure to read the full [Funding Announcement](#) and the [Frequently Asked Questions](#).

#### Basic Information:

DUNS Number

Agency Name

Mailing Address

Address Line 2

City

Zip

Contact First Name

Contact Last Name

Contact Title

Contact Phone

Contact Email

Number of licensed officers

Number of front-line officers

Number of licensed, front-line officers who are engaged in traffic or highway patrol or otherwise regularly detain or stop motor vehicles or are primary responders who respond directly to calls for assistance from the public.

Number of officers currently equipped with BWCs

If agency uses BWCs, method of storage currently used

Other Storage Method (if applicable)

Amount of BWC funding received by agency in the last three agency fiscal years

"BWC funding" is all funds for purchase of BWC's, BWC accessories, or related video storage systems. Include funds formally budgeted by the agency's governing board.

Source of funds received for BWC funding

Agency, grant program, donation, etc.

**Proposed Budget:****Budgets are estimates and are non-binding**

Officers to be equipped

Total project budget

Total CJD contribution

Total local match

Source of local match

Match may not come from vendor or applied discounts.

Budget for cameras

Number of cameras

Make and model of cameras

Budget for storage (if purchased separately from cameras)

If purchasing storage services for more than one year, pro-rate the budget down to one year. This grant may not be used to pay for more than one year of storage.

Method of storage

Other storage method (if applicable)

Amount of storage estimated for 1 year of operation (in TB)

**Background Information:**

End-date of the most recent complete agency fiscal year

Number of all public complaints received by agency during previous fiscal year

Number of public complaints sustained (i.e. not dismissed)

Number of officer use-of-force incidents in the previous fiscal year

CJD recognizes that there is no state standard for "use-of-force incidents." The applying agency may use whatever definition they have already adopted or is most useful, but that definition must remain constant during the grant and the follow-up reporting period in order for CJD to determine if the adoption of BWCs had an effect on these incidents.

Number of arrests in the previous fiscal year for resisting arrest

"Resisting arrest" is defined here as violations of Section 38.03 of the Texas Penal Code.

Number of arrests in the previous fiscal year for evading arrest or detention

"Evading arrest or detention" is defined here as violations of Section 38.04 of the Texas Penal Code.

Number of arrests in the previous fiscal year for hindering apprehension or prosecution

"Hindering apprehension or prosecution" is defined here as violations of Section 38.05 of the Texas Penal Code.

Number of arrests in the previous fiscal year for interference with public duties

"Interference with public duties" is defined here as violations of Section 38.15 of the Texas Penal Code.

## Bedford, Michelle

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**From:** Norma Rodriguez <Norma.Rodriguez@gov.texas.gov>  
**Sent:** Tuesday, January 19, 2016 4:56 PM  
**To:** Parker, Ron  
**Subject:** Body Camera Notification of Funding

Assistant Chief of Police Ron Parker  
La Porte Police Department  
La Porte, Texas  
parkerr@laportetx.gov

Dear Assistant Chief of Police Parker,

Congratulations. The Criminal Justice Division of the Governor's Office has selected your agency for a Body-Worn Camera grant.

Your preliminary allocation is the amount you requested - \$38,990.00 - and is limited to expenditures for body-worn cameras and the associated video storage and equipment. State law requires a 25% match of the grant award, which is \$9,747.50, giving your agency a total maximum project budget of \$48,737.50.

This is only a notice of the allocation of grant funds reserved for your agency. To receive the grant award, you must still file a formal application via the eGrants system. Instructions on how to file a formal application and receive grant funds are below and at CJD's Body-Worn Camera Program webpage at <http://gov.texas.gov/cjd/bodycams>.

You must use the funds to equip 50 front-line officers with body cameras as well as the requisite video storage and accessories required for the cameras to be functional. If you wish to equip fewer than that number of officers, you must work with CJD to reduce your grant award proportionately.

The grant allocation is a maximum amount. If your agency does not wish to spend the full amount, you are not required to do so.

Here are the next steps in proceeding with the grant:

- 1) If you have not done so already, obtain your agency's DUNS number or register for one at <http://www.dnb.com/get-a-duns-number.html>.
- 2) Make sure your SAM registration is up-to-date or, if you have not registered, do so at <https://www.sam.gov/portal/SAM/>.
- 3) If you have not done so already, register for a state eGrants account at <https://egrants.gov.texas.gov/>.
- 4) File a formal application at <https://egrants.gov.texas.gov/> no later than July 15, 2016. As long as your agency fully completes the application and meets state requirements, your application will be approved for the full amount stated in this notification. Applications will be processed on a rolling basis roughly 30-45 days after submission.
- 5) Once you receive your formal statement of grant award, accept the award. You may do so as early as March 1, 2016 and no later than August 15, 2016.

- 6) Your one-year grant period begins when you formally accept the award. Any local matching funds must receive final approval or be obligated during the grant period, or may be approved or obligated before the grant period if they are specifically designated as a match for this grant. Any body-worn camera program purchases you wish to get reimbursed must also occur during the grant period.
- 7) Before filing a financial status report (FSR) for reimbursement from CJD, you must complete the training and policy-adoption requirements in state law. You must also file a report with the Texas Commission on Law Enforcement (TCOLE) regarding the body-worn camera equipment and services you purchase.
- 8) File a Final FSR with CJD to request funds for reimbursement only when you have completed all purchases to be reimbursed under the program.
- 9) Remember to file the required follow-up reports with TCOLE at 12, 24, and 36 months after your initial report to them.

More information can be found at CJD's website: <http://gov.texas.gov/cjd/bodycams>. If, after reviewing the information there, you have further questions, you may contact Norma Rodriguez at 512-463-8332 or [norma.rodriguez@gov.texas.gov](mailto:norma.rodriguez@gov.texas.gov). If you do not wish to accept any portion of the award, please email [norma.rodriguez@gov.texas.gov](mailto:norma.rodriguez@gov.texas.gov).

Best regards,

Norma Rodriguez

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>March 14, 2016</u>
Requested By: <u>R.J. Davidson</u>
Department: <u>Planning and Development</u>
Report: <input checked="" type="checkbox"/> Resolution: <input type="checkbox"/> Ordinance: <input type="checkbox"/>

<b><u>Budget</u></b>
Source of Funds: <u>Fund 032</u>
Account Number: <u>032-9890-665-1100</u>
Amount Budgeted: <u>\$589,160.00</u>
Amount Requested: <u>\$34,518.00</u>
Budgeted Item: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

Exhibits: Bid Access Report

Exhibits: Bid 16002 - General Contractor Services, Inc.

Exhibits Recommendation Letter from RHA

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### **SUMMARY & RECOMMENDATION**

Staff is presenting the LPISD Historic Colored School project for awarding of bid to General Contractor Services, Inc. in the amount of \$31,380.00. These funds are for Phase 1 of the project, which is the careful deconstruction of the structure to salvage all materials possible to be used in Phase 2, which is reconstruction of the school. All documents pertaining to this bid have been reviewed and approved by Harris County Community Services Department and Grantworks, the grant administrator for this project. The project is being funded through a grant from Harris County Community Services department.

On March 10, 2016, the City received notification from Harris County of the approval of the bid documents and as a requirement of Harris County, staff has fifteen (15) days after the Grantee's approval of the lowest and most responsible bid to issue the Notice of Award to the contractor.

The Finance Department has confirmed sufficient available budgeted funds for this award.

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#### **Action Required by Council:**

Consider approval or other action for the award of Bid 16002 to General Contractor Services, Inc. in the amount of \$31,380.00 for the deconstruction of the LPISD Historic Colored School, plus an additional 10% contingency in the amount of \$3,138.00 for a total amount of \$34,518.00.

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#### **Approved for City Council Agenda**

\_\_\_\_\_  
Corby D. Alexander, City Manager

\_\_\_\_\_  
Date

Access Report

Agency City of La Porte (TX)  
Bid Number 16002  
Bid Title LPISD Historic Colored School Phase 1

Vendor Name	Accessed First Time	Documents
BidClerk	2016-02-12 03:00 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
MLG Construction	2016-02-13 04:22 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
General Contractor Services, Inc	2016-02-11 10:44 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
R.J. Harris Construction (Gulf Coast)	2016-02-17 10:38 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
AAR Incorporated	2016-02-22 09:38 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
The Blue Book Building & Construction	2016-02-12 04:13 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
JEBCO inc.	2016-02-11 01:25 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Aziaa Corp	2016-02-11 11:44 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Grand Cayon Minority Contractors	2016-02-12 07:40 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Fire Safe Protection Services LLC	2016-02-15 01:47 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
AGC TEXO/ISQFT Plan Room	2016-02-22 11:04 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
iSqFt / AGC Houston	2016-02-22 02:40 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Perkens WS Corporation	2016-02-11 06:24 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Pyramid Construction Services	2016-02-11 09:15 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Hearn Company	2016-02-11 03:08 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
IMS	2016-02-11 09:06 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
BATTERY WAREHOUSE	2016-02-14 04:55 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
North America Procurement Company	2016-02-15 11:05 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
ILCOR Builders	2016-02-25 08:12 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
D.H. Griffin of Texas, Inc	2016-02-11 09:02 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Grant Mackay Demolition Company	2016-02-11 09:08 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
J.T.B. Services Inc	2016-02-12 08:54 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Teamwork Construction	2016-02-11 11:47 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
aztec remodeling & landscaping	2016-02-22 11:43 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Cherry Companies	2016-02-11 08:52 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Total Demolition, Inc.	2016-02-11 09:45 AM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final
Onvia	2016-02-11 11:18 PM CST	Bid 16002 LPISD Historic Colored School Phase 1 Final

**Bid Offering to Provide Labor And Materials for:**

**City of La Porte  
LPISD Historic Colored School  
Bid No. 16002**

**City Hall Information Desk  
604 W. Fairmont Parkway  
La Porte, Texas 77571**

**Contractor:  
General Contractor Services, Inc.  
8400 La Porte Road  
Houston, Texas 77012  
Phone: 713-270-5300  
Fax: 713-270-5305**

**Bid Date & Time:  
March 1, 2016 @ 2:00 P.M.**

**Original**



The amounts set forth above are current estimates by Contractor of the amounts that will be determined during the progress of the Work. The separated progress billings from Contractor to the Owner shall reflect the actual amounts expended for the items enumerated in (a), (b), and (c), above.

SUBSTITUTIONS: If necessary, attach detailed explanation to proposal.

1.

~~Add/Reduce~~ \$ N/A

2.

~~Add/Reduce~~ \$ N/A

It is understood and agreed that the work shall be complete in full within ninety (90) calendar days after the date on which work is to be commenced as established by the Contract Documents.

It is agreed that the contract price may be increased or decreased to cover work added or deleted by order of the Engineer, in accordance with the provisions of the General Conditions of Agreement.

The award may be made on the Base Bid alone or the Base Bid and any or all of the Items listed under Alternates or Substitutions, if any.

The undersigned agrees that the amounts bid in this proposal will not be withdrawn or modified for sixty (60) days following date of bid opening.

It is understood that the bid security accompanying this proposal shall be returned to the undersigned unless, in case of the acceptance of this proposal the undersigned should fail to enter into a construction contract and execute bonds as provided in the specifications. In the event the undersigned should fail to enter into a construction contract and execute bonds as required within 14 calendar days after the Engineer has given unsigned contracts to the Contractor, it is understood and agreed that the bid security shall be forfeited to the Owner and shall be considered as payment for damages due to delay and other inconveniences suffered by the Owner as a result of such failure on the part of the undersigned.

It is understood that the Owner reserves the right to reject any and all bids.

In the event of Award of the Contract to the undersigned, the undersigned agrees to furnish Performance and Payment Bonds as provided in the Specifications.

The undersigned certifies that the bid prices contained in this proposal have been carefully checked and are submitted as correct and final.

Date March 1, 2016

Signed *Pamela Teltschick*

By Pamela Teltschick  
(Printed Name)

President  
(Title)

8400 La Porte Rd. Houston, TX 77012  
(Address)

713-270-5300  
(Telephone Number)

Genconser@aol.com  
(Email Address)

*Katli Silva*  
Witness

SEAL (If Bidder is a Corporation)

Acknowledge receipt of Addenda Below:

Addendum No. 01 \_\_\_\_\_

Date Received 2/22/16 \_\_\_\_\_



City of La Porte  
Established 1892

Purchasing Department  
Cherell Daeumer, Purchasing Manager

February 22, 2016

Addendum No 1- Bid 16002 LPISD Historic Colored School Phase 1

Dear Vendor:

Harris County Community Services General Contractor Bid Specifications  
Section 5.1 Davis-Bacon Act Wage Decision-Page 38

Please replace the Harris County Building Wage Rate dated 1/08/2016 with the updated attached dated 1/15/2016.

Please acknowledge receipt of addendum on Bid Form.

Regards,  
Cherell Daeumer, CPPB  
Purchasing Manager, City of La Porte

By:

Date:

By:

Date:

General Decision Number: TX160303 01/15/2016 TX303

Superseded General Decision Number: TX20150303

State: Texas

Construction Type: Building

County: Harris County in Texas.

BUILDING CONSTRUCTION PROJECTS (does not include single family homes or apartments up to and including 4 stories).

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.15 for calendar year 2016 applies to all contracts subject to the Davis-Bacon Act for which the solicitation was issued on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.15 (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2016. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Modification Number	Publication Date
0	01/08/2016
1	01/15/2016

ASBE0022-009 06/01/2015

	Rates	Fringes
ASBESTOS WORKER/HEAT & FROST INSULATOR (Duct, Pipe and Mechanical System Insulation)....	\$ 22.63	11.90

BOIL0074-003 01/01/2014

	Rates	Fringes
BOILERMAKER.....	\$ 23.14	21.55

CARP0551-008 04/01/2015

	Rates	Fringes
CARPENTER (Excludes Acoustical Ceiling Installation, Drywall Hanging, Form Work and Metal Stud Installation).....	\$ 22.50	8.33

ELEC0716-005 09/01/2014

	Rates	Fringes
ELECTRICIAN (Excludes Low Voltage Wiring and Installation of Alarms).....	\$ 29.15	8.74

\* ELEV0031-003 01/01/2016

	Rates	Fringes
ELEVATOR MECHANIC.....	\$ 39.24	29.985+a

FOOTNOTES: A. 6% under 5 years based on regular hourly rate for all hours worked. 8% over 5 years based on regular hourly rate for all hours worked.

New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving Day; Christmas Day; and Veterans Day.

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ENGI0450-002 04/01/2014

	Rates	Fringes
POWER EQUIPMENT OPERATOR Cranes.....	\$ 34.85	9.85

-----  
IRON0084-001 06/01/2015

	Rates	Fringes
IRONWORKER, STRUCTURAL.....	\$ 23.02	6.35

-----  
IRON0084-012 06/01/2015

	Rates	Fringes
GLAZIER.....	\$ 23.02	6.35
IRONWORKER, ORNAMENTAL.....	\$ 23.02	6.35

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PLAS0079-004 01/01/2010

	Rates	Fringes
PLASTERER.....	\$ 19.42	1.00

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PLUM0068-012 10/01/2013

	Rates	Fringes
PLUMBER (Excludes HVAC Pipe Installation).....	\$ 31.30	9.49

-----  
PLUM0211-010 10/01/2013

	Rates	Fringes
PIPEFITTER (Including HVAC Pipe Installation).....	\$ 29.39	10.31

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SFTX0669-002 04/01/2015

	Rates	Fringes
SPRINKLER FITTER (Fire Sprinklers).....	\$ 27.43	17.12

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SHEE0054-006 07/01/2014

	Rates	Fringes
SHEET METAL WORKER		
Excludes HVAC Unit		
Installation.....	\$ 25.67	12.39
HVAC Duct Installation Only.	\$ 25.67	12.39

-----  
SUTX2014-029 07/21/2014

	Rates	Fringes
ACOUSTICAL CEILING MECHANIC.....	\$ 17.27	3.98
BRICKLAYER.....	\$ 18.87	0.00
CAULKER.....	\$ 15.36	0.00
CEMENT MASON/CONCRETE FINISHER...	\$ 13.93	0.00
DRYWALL FINISHER/TAPER.....	\$ 16.27	3.66
DRYWALL HANGER AND METAL STUD INSTALLER.....	\$ 17.44	3.93
ELECTRICIAN (Alarm Installation Only).....	\$ 17.97	3.37
ELECTRICIAN (Low Voltage Wiring Only).....	\$ 18.00	1.68
FLOOR LAYER: Carpet.....	\$ 20.00	0.00
FORM WORKER.....	\$ 12.77	0.00
INSULATOR - BATT.....	\$ 14.87	0.73
IRONWORKER, REINFORCING.....	\$ 12.14	0.00
LABORER: Common or General.....	\$ 11.76	0.00
LABORER: Mason Tender - Brick...	\$ 13.47	0.00
LABORER: Mason Tender - Cement/Concrete.....	\$ 10.48	0.00
LABORER: Pipelayer.....	\$ 12.94	0.00
LABORER: Roof Tearoff.....	\$ 11.28	0.00
LABORER: Landscape and Irrigation.....	\$ 9.52	0.00
LATHER.....	\$ 19.73	0.00
OPERATOR: Backhoe/Excavator/Trackhoe.....	\$ 13.94	0.00
OPERATOR: Bobcat/Skid Steer/Skid Loader.....	\$ 13.93	0.00

OPERATOR: Bulldozer.....	\$ 22.75	0.00
OPERATOR: Drill.....	\$ 16.22	0.34
OPERATOR: Forklift.....	\$ 16.00	0.00
OPERATOR: Grader/Blade.....	\$ 13.37	0.00
OPERATOR: Loader.....	\$ 13.55	0.94
OPERATOR: Mechanic.....	\$ 17.52	3.33
OPERATOR: Paver (Asphalt, Aggregate, and Concrete).....	\$ 16.03	0.00
OPERATOR: Roller.....	\$ 16.00	0.00
PAINTER (Brush, Roller and Spray), Excludes Drywall Finishing/Taping.....	\$ 17.24	4.41
ROOFER.....	\$ 15.40	0.00
SHEET METAL WORKER (HVAC Unit Installation Only).....	\$ 20.05	2.24
TILE FINISHER.....	\$ 12.00	0.00
TILE SETTER.....	\$ 16.17	0.00
TRUCK DRIVER: 1/Single Axle Truck.....	\$ 14.18	0.00
TRUCK DRIVER: Dump Truck.....	\$ 12.39	1.18
TRUCK DRIVER: Flatbed Truck.....	\$ 19.65	8.57
TRUCK DRIVER: Semi-Trailer Truck.....	\$ 12.50	0.00
TRUCK DRIVER: Water Truck.....	\$ 12.00	4.11
WATERPROOFER.....	\$ 14.39	0.00

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WELDERS - Receive rate prescribed for craft performing  
operation to which welding is incidental.  
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Unlisted classifications needed for work not included within  
the scope of the classifications listed may be added after  
award only as provided in the labor standards contract clauses  
(29CFR 5.5 (a) (1) (ii)).  
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The body of each wage determination lists the classification

and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current

negotiated/CBA rate of the union locals from which the rate is based.

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WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

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**CITY OF LA PORTE  
RESPONDENT AFFIDAVIT**

The foregoing prices shall include all labor, materials, equipment, removal, overhead, profit, freight, insurance, etc., to cover the finished work specified in this bid.

All items bid and installed under this procurement must be new and unused and in undamaged condition.

The City of La Porte is tax exempt and no taxes shall be included in the pricing of this solicitation.

Respondent understands that the Owner reserves the right to reject any or all bids and to waive any informalities in the solicitation.

The respondent agrees that this solicitation shall be good and may not be withdrawn for a period of sixty (60) calendar days after the scheduled closing time for receiving submittals.

The undersigned affirms they are duly authorized to represent this firm, that this proposal has not been prepared in collusion with any other firm, and that the contents contained herein have not been communicated to any other firm prior to the official opening.

Respectfully submitted:

Business Name: General Contractor Services, Inc.  
Address: 8400 La Porte Road  
Houston, Texas 77012  
Printed Name: Pamela Teltschick  
Authorized Signature:   
Date: March 1, 2016

**CITY OF LA PORTE  
CERTIFICATION OF RESPONDENT**

City of La Porte Ordinance #98-2217 prohibits any expenditure for goods or services by the City of La Porte from any person, firm, or corporation owing any delinquent indebtedness to the City. The undersigned respondent further certifies that it is in compliance with the requirements of said ordinance. A copy of the ordinance may be obtained by contacting the City of La Porte Purchasing Division at 281-470-5126.

If undersigned bidder is not in compliance with Ordinance 98-2217, it hereby assigns to the City of La Porte, the amount of its delinquent indebtedness to the City of La Porte, to be deducted by the City of La Porte from the amounts due the undersigned.

Failure to remit this certification with the response or non-compliance with said ordinance shall be just cause for rejection or disqualification of submitted proposal.

The undersigned hereby certifies that it is in compliance with Ordinance 98-2217.

Or

The undersigned assigns to the City of La Porte, the amount of its delinquent indebtedness, to be deducted by the City of La Porte from the amounts due the undersigned.

*(Initial one of the above)*

**Business Name:** General Contractor Services, Inc.

**Address:** 8400 La Porte Road

Houston, Texas 77012

**Printed Name:** Pamela Teltschick

**Authorized Signature:** 

**Date:** March 1, 2016

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**CITY OF LA PORTE**  
**PROTECTION OF RESIDENT WORKERS COMPLIANCE**

The City of La Porte, Texas actively supports the Immigration and Nationality Act (INA) which includes provisions addressing employment eligibility, employment verification, and nondiscrimination. Under the INA, employers may hire only persons who may legally work in the United States (i.e., citizens and nationals of the U.S.) and aliens authorized to work in the U.S.

The employer must verify the identity and employment eligibility of anyone to be hired, which includes completing the Employment Eligibility Verification Form (I-9).

The Contractor shall establish appropriate procedures and controls so no services or products under the Contract Documents will be performed or manufactured by any worker who is not legally eligible to perform such services or employment.

**Business Name:** General Contractor Services, Inc.

**Address:** 8400 La Porte Road  
Houston, Texas 77012

**Printed Name:** Pamela Teltschick

**Authorized Signature:** 

**Date:** March 1, 2016

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**CITY OF LA PORTE**  
**INDEMNITY HOLD HARMLESS AGREEMENT**

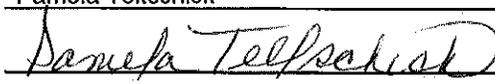
To the fullest extent permitted by law, Contractor, its successors, assigns and guarantors, shall pay, defend, indemnify and hold harmless the City of La Porte, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, including claims of patent or copyright infringement, damages, losses, expenses, including but not limited to, attorney's fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expenses, related to, arising from or out of or resulting from any actions, acts, errors, mistakes or omissions caused in whole or part by Contractor relating to work, services and/or products provided in the performance of this Contract, including but not limited to, any Subcontractor or anyone directly or indirectly employed by or working as an independent contractor for Contractor or said Subcontractors or anyone for whose acts any of them may be liable and any injury or damages claimed by any of Contractor's and Subcontractor's employees or independent contractors.

The Contractor expressly understands and agrees that any insurance policies required by this contract, or otherwise provided by the Contractor, shall in no way limit the responsibility to indemnify, keep and save harmless and defend the City of La Porte, its Council members, officers, agents and employees and herein provided.

**Business Name:** General Contractor Services, Inc.

**Address:** 8400 La Porte Road  
Houston, Texas 77012

**Printed Name:** Pamela Teltschick

**Authorized Signature:** 

**Date:** March 1, 2016

**CONFLICT OF INTEREST QUESTIONNAIRE**  
For vendor doing business with local governmental entity

**FORM CIQ**

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.  
This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).  
By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.  
A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY
Date Received

1 Name of vendor who has a business relationship with local governmental entity.  
N/A

2  Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.  
N/A  
Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?  
 Yes  No  N/A

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?  
 Yes  No  N/A

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more. N/A

6  Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 Amela Telesch  
Signature of vendor doing business with the governmental entity  
March 1, 2016  
Date

**STATEMENT OF BIDDER'S QUALIFICATIONS**

All questions must be answered and the data given must be clear and comprehensive. This statement must be notarized. If necessary, questions may be answered on separate attached sheets. The Bidder may submit any additional information it desires.

Date: March 1, 2016

Bidder (Legal Name of Firm): General Contractor Services, Inc.

Date Organized: August 14, 1992

Name of Owner(s): Pamela Teltschick

Address : 8400 La Porte Road

: Houston, Texas 77012

Date Incorporated August 14, 1992

Federal ID Number: 1-76-0382055-0

Number of Years in contracting business under present name 23

List all other names under which your business has operated in the last 10 years: N/A

**Work Presently Under Contract:**

Contract	Amount \$	Completion Date
<u>Please See Attachment</u>		

Type of work performed by your company: \_\_\_\_\_

Total Staff employed by Firm (Break down by Managers and Trades on separate sheet):

Please See Attachment

Have you ever failed to complete any work awarded to you?  Yes  No

(If yes, please attach summary of details on a separate sheet. Include brief explanation of cause and resolution)

Have you ever defaulted on a contract?  Yes  No

(If yes, please attach summary of details on a separate sheet.)

Has your organization had any disbarments or suspensions that have been imposed in the past five years or that was still in effect during the five-year period or is still in effect?  Yes  No

(If yes, list and explain; such list must include disbarments and suspensions of officers,

principals, partners, members, and employees of your organization.)

List the projects most recently completed by your firm (include project of similar importance):

Project	Amount \$	Mo/Yr Completed
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Please See Attachment

Major equipment available for this contract: Please See Attached

Are you in compliance with all applicable EEO requirements?  Yes  No

(If no, please attach summary of details on a separate sheet.)

Are you a Section 3 business? (see below)  Yes  No

Section 3 Business Concerns:

- a) Businesses that are 51 percent or more owned by Section 3 residents;
- b) Businesses whose permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the firm were Section 3 residents;
- c) Businesses that provide evidence of a commitment to subcontract in excess of 25 percent of the dollar amount of all subcontracts to be awarded to businesses that meet the qualifications described above; or
- d) Businesses located within the Grant Recipient's jurisdiction that identifies themselves as Section 3 Business Concerns because they provide economic opportunities for low- and very low income persons.

Bank References Please See Attachment

Address: \_\_\_\_\_ Contact Name: \_\_\_\_\_

City&State: \_\_\_\_\_ Zip: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Credit available: \$ \_\_\_\_\_

Has the firm or predecessor firm been involved in a bankruptcy or reorganization?  Yes  No

(If yes, please attach summary of details on a separate sheet.)

List on a sheet attached hereto all judgements, claims, arbitration proceedings, or suits pending or outstanding against bidder over the last five (5) years with amount of claim and brief description. N/A

List on a sheet attached hereto all lawsuits or requested arbitration with regard to construction contracts which bidder has initiated within the last five (5) years and brief explanation of claim and outcome. N/A

Attach resume(s) for the principal member(s) of your organization, including the officers as well as the proposed superintendent for the project.

Signed this 1<sup>ST</sup> day of March, 2016.

Pamela Teltschick

Signature

Pamela Teltschick - President

Printed Name and Title

General Contractor Services, Inc.

Company Name

**Notary Statement:**

Pamela Teltschick being duly sworn, says that he/she is the \_\_\_\_\_ Position/Title President of General Contractor Services, Inc(Firm Name), and hereby swears that the answers to the foregoing questions and all statements therein contained are true and correct. He/she hereby authorizes and requests any person, firm, or corporation to furnish any information requested City/County of Houston/ Harris in verification of the recitals comprising this Statement of Bidder's Qualifications.

Subscribed and sworn before me this 1<sup>st</sup> day of March, 2016.

Notary Public

Katie Silva

Signature

Katie Silva

Printed Name



My Commission Expires: 2/19/19. The penalty for making false statements is prescribed in the U. S. Criminal Code, 18 U.S.C. 1001.



# City of La Porte

Established 1892

# Purchasing Department

Cherell Daeumer, Purchasing Manager

### References:

Please PRINT or TYPE here, the names, addresses and other contact information of persons in a management capacity where other similar work has been provided within the last five (5) years, or is currently being provided that may be willing to provide a reference and recommendation for your company. Failure to complete and submit this form may cause to disqualify your proposal. References provided must be for similar events.

At least 2 of the 5 required references should be current and of a similar size and scope. Contractor shall also indicate the date services were performed and a brief description of the type of event, and any other pertinent information involved for each reference provided.

Company Name	Contact	Address	Telephone	E-mail
<u>Please see attached list of current references.</u>				

Company Name	Contact	Address	Telephone	E-mail

Company Name	Contact	Address	Telephone	E-mail

Company Name	Contact	Address	Telephone	E-mail

Company Name	Contact	Address	Telephone	E-mail

Company Name	Contact	Address	Telephone	E-mail

**BID BOND**

STATE OF TEXAS §  
                                  §  
COUNTY OF HARRIS §

SURETY'S NO. SU02679

KNOW ALL MEN BY THESE PRESENTS, THAT General Contractor Services, Inc.

\_\_\_\_\_  
\_\_\_\_\_  
(hereinafter called the Principal), as Principal and SureTec Insurance Company

\_\_\_\_\_  
(hereinafter called the Surety), as Surety, are bound unto the City of La Porte, Texas, a home rule municipal corporation of Harris County, Texas (hereinafter called Obligee) in the amount of Five Percent of the Greatest Amount Bid Dollars (\$5% G.A.B.), for the payment whereof said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a Bid to enter into a certain written Contract with Obligee for Laporte Independent School District Colored School Phase 1  
Bid No. 16002

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall faithfully, enter into such written Contract, then this obligation shall be void; otherwise to remain in full force and effect.

IT IS EXPRESSLY UNDERSTOOD AND AGREED that if said Principal should withdraw its Bid anytime after such Bid is opened and before this Bid Bond is returned or before official rejection of such Bid; or, if successful in securing the award thereof, said Principal should fail to enter into the Contract and furnish satisfactory Performance Bond and Payment Bond, and other required contract documents, the Obligee, in either of such events, shall be entitled and is hereby given the right to collect the full amount of this Bid Bond as liquidated damages.

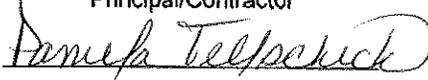
PROVIDED, further that if any legal action be filed upon this Bond, venue shall lie in Harris County, Texas.

IN WITNESS WHEREOF, the said Principal and Surety do sign and seal this instrument this 1st  
day of March, 2016.

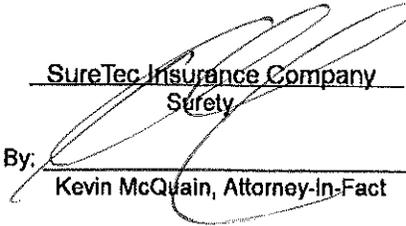
General Contractor Services, Inc.  
Principal/Contractor

SureTec Insurance Company  
Surety

By:



By:

  
Kevin McQuain, Attorney-in-Fact

Address: 8400 LaPorte Road  
Houston, TX 77012

Address: 1330 Post Oak Blvd., Ste 1100  
Houston, TX 77056

NOTE: Attach Power of Attorney

# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

Know All Men by These Presents, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Maxine Elaine Lewis, Rosalyn D. Hassell, Scott D. Chapman,  
Kevin McQuain, Justin McQuain, Jeanne M. Buchan, Keith M. Illa, Cheryl R. Colson

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

Five Million and 00/100 Dollars (\$5,000,000.00)

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment shall continue in force until 5/18/17 and is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

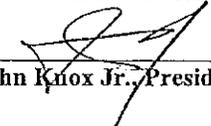
*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

In Witness Whereof, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 18th day of September, A.D. 2015

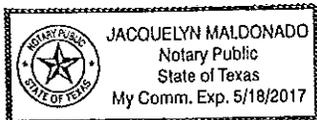
SURETEC INSURANCE COMPANY

By:   
John Knox Jr., President

State of Texas                      ss:  
County of Harris



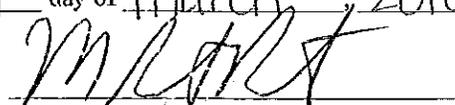
On this 18th day of September, A.D. 2015 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



  
Jacquelyn Maldonado, Notary Public  
My commission expires May 18, 2017

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 1st day of March, 2016, A.D.

  
M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.  
For verification of the authority of this power you may call (713) 812-0800 any business day between 8:00 am and 5:00 pm CST.

**SureTec Insurance Company**  
**THIS BOND RIDER CONTAINS IMPORTANT COVERAGE INFORMATION**

**Statutory Complaint Notice**

To obtain information or make a complaint: You may call the Surety's toll free telephone number for information or to make a complaint at: 1-866-732-0099. You may also write to the Surety at:

SureTec Insurance Company  
9737 Great Hills Trail, Suite 320  
Austin, Tx 78759

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at 1-800-252-3439. You may write the Texas Department of Insurance at:

PO Box 149104  
Austin, TX 78714-9104  
Fax#: 512-475-1771  
Web: <http://www.tdi.state.tx.us>  
Email: [ConsumerProtection@tdi.state.tx.us](mailto:ConsumerProtection@tdi.state.tx.us)

**PREMIUM OR CLAIM DISPUTES:** Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

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**Terrorism Risks Exclusion**

The Bond to which this Rider is attached does not provide coverage for, and the surety shall not be liable for, losses caused by acts of terrorism, riot, civil insurrection, or acts of war.

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**GENERAL CONTRACTOR SERVICES, INC.**

**8400 LA PORTE ROAD, HOUSTON, TEXAS 77012**

**(713) 270-5300 PHONE • (713) 270-5305 FAX • GENCONSER@COMCAST.NET**

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General Contractor Services, Inc. has the ability to handle turn-key contracting projects of all types to satisfy public, private, government and municipal clients. We understand local business environments while providing the highest standard of service.

We are proficient in all phases of commercial construction, including interior renovations of retail, government and office buildings and interior build-outs to your specifications.

We also have our own in-house professional concrete placement company providing foundation systems, slabs, concrete site paving and tilt-up concrete walls which means we have the ability to keep more areas of a construction project under our direct control.

At the start of the process, we will generally meet with the client to get some ideas on what we can offer and our costs. Once the initial decisions have been made, we, as the "single-point" company, will then progress the project, calling on the client for decisions on designs and materials as and when they are needed along the way.

One of the reasons that our clients rely on our turn-key abilities is that we take on all the potential challenges and pitfalls which could occur during the project. We have never incurred liquidated damages on any of the projects we have been awarded.

The goal of General Contractor Services, Inc. is to be a leader in providing value-added construction services to our customers by creating a successful partnership with them throughout the construction process. Our main objective is to establish lasting relationships with our customers by exceeding their expectations through outstanding performance by every member of our construction team and to provide our customers exceptional workmanship, extraordinary service and professional integrity.



**Pamela Teltschick, RP**  
**President | CEO**



As Chief Executive Officer of GCSI, Pam is committed to excellence, integrity and value when providing clients with superior quality and cost-effective General Contracting needs.

**PROFESSIONAL EXPERIENCE**

General Contractor Services, Inc., Houston TX

President/CEO since 1995. Key aspects of this position include coordination of:

- Project Management
- Field Operations
- Finance
- Human Resources
- Public Relations

Sandy Reed & Associates, Markborough Development, Al Fairfield, Builder/Developer  
Houston, TX

Real Estate Agent

Employed from 1988 to 1995 in the capacities of:

- Buyer and Selling Agent
- Land Procurement and Development Specialist
- Client/ Architect/ Bulder Coordinator

Intec Heat Treating, Houston, TX

Administrative Assistant

In the 10 years in this position from 1978 to 1988, responsibilities included work in the areas of Finance Management, Human Resource Management and Client Liaison

Various Administrative Positions, Houston, TX

From 1975 to 1978, employed in the fields of Retail Sales, Bookkeeping at a Masonry Subcontractor and in the Hotel & Catering industry

**EDUCATION**

Art Institute of Pittsburgh, The Real Estate School, Sam Houston State, University of St. Thomas, Houston Community College, Houston, TX

**PROFESSIONAL AFFILIATIONS**

WBEA, ASID, HAR, ASPE

Residential Planner

Real Estate License

**LANGUAGES**

English, Italian

Vernon R. "Goldie" Teltschick  
Vice President | Senior Project Manager



As Vice President, consistently seeks out new clients and projects by soliciting bids to public, private, government and municipal entities and also by initiating one-on-one meetings with local professionals and businesses to increase sales.

**PROFESSIONAL EXPERIENCE**

General Contractor Services, Inc., Houston TX

Established construction business in 1986 as Vernon Teltschick General Contracting, Incorporated. Changed business name in 1992 to General Contractor Services, Inc.

- Plan, organize and manage residential and light construction development. Responsibilities include design and blueprint review, along with analysis of projects, preparation of construction documents, bidding, negotiations, subcontractor selection, material purchasing, scheduling, project budget, building code compliance, project development, and quality control.
- Intense work experience with exposure to all the aspects of construction as well as profound conceptual knowledge of construction estimating. Also possesses a thorough knowledge of documentation and scrutinizing processes involved in construction estimating.
- Schedule and manage all projects through completion while overseeing quality control of all projects. Establish and maintain communications with owners, project managers, site personnel and vendors.

Jordan Construction

Field Superintendent for 3 years for housing development

Texas Iron Workers Local 84, Houston TX

Iron worker for 3 years

Ebasco, Two World Trade Center, New York, New York

8 years as General Forman, Nuclear Plant Structural Steel Project in excess of \$100 Million

Global All Harlmane, Project Superintendent for Commercial Land Building Overseas  
2 year project in excess of \$30 Million

**EDUCATION**

Beeville Jr. College Beeville, Texas

General Studies

Texas Iron Workers Local 84

2 Year Apprenticeship Program at Local Iron Workers Association

**PROFESSIONAL AFFILIATIONS**

Texas Iron Workers Local Association



## **Robert Mullins** **Project Manager | Job Supervisor**

An experienced project manager, Robert has lead a wide variety of projects over the last three decades, including small and large scale office build-outs, new construction of single-family multi-residential projects as well as new commercial, industrial and municipal facilities. A seasoned professional, Robert provides quality supervision for each of the subcontractors in every project. He is capable and ready to insure that industry standards, schedules and budgets are met.

### **PROFESSIONAL EXPERIENCE**

General Contractor Services, Inc., Houston, TX

General Superintendent / Project Manager

Employed with GCSI since 2000 as Site Superintendent. Key responsibilities include:

- Discussions with clients regarding general contracts, purchase orders, subcontract agreements, etc.
- Reviewing plans and drawings with the help of project architects and engineers to insure accuracy and comprehension between owner and builder.
- Meeting with architects and project management about practical and efficient modifications to designs.
- Maintaining a professional and organized environment among the subcontractors in terms of productivity and deadlines.
- Coordination of activities of subcontractors and company personnel to successfully and simultaneously construct a multitude of construction projects
- Obtained permits
- Organizing the project scope, including plot layout, excavation and grading, foundations, concrete and masonry, framing, drywall, tile setting, flooring, cabinetry, window and door casework, interior and exterior trim, exterior sheathing, fencing, decks and roofing, all while enforcing all OSHA and company-prepared safety regulations.

Notable Projects Include:

- Build-outs for office and retail establishments from \$30,000 to \$750,000 in the Houston and Dallas areas
- Residential, New Construction and Additions
- DeLape Estate on Clear Lake (18,000 square foot) 2 year project of \$6.5 million

Foreman at Techniques Architectural for 8 years

Owned and Operated *On the Level Construction Services* for 10 years

### **EDUCATION**

University of Texas, Arlington 1974-1975

Southwest Missouri State University 1976 -1978

Degree in Marketing / Management

### **PROFESSIONAL AFFILIATIONS**

Houston Area Carpenters Local 512

Houston Area Jointer's and Millwork Local

GENERAL CONTRACTOR SERVICES, INC.  
8400 La Porte Road, Houston, TX 77012  
713-270-5300 phone • 713-270-5305 fax • genconser@comcast.net

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## PROFESSIONAL REFERENCES

<u>COMPANY NAME</u>	<u>CONTACT</u>	<u>TELEPHONE &amp; FAX</u>
Houston Housing Authority 2640 Fountainview, Ste 408 Houston, TX 77057	Kishor Modi Construction Coordinator kmodi@housingforhouston.com	713-260-0757 P 713-260-0815 F
City of Baytown 2123 Market Street Baytown, TX 77520	Drew Potts Purchasing Manager Drew.Potts@baytown.org	281-420-6525 P 281-420-6542 F
City of Houston Community Dev. Community Development 604 Sawyer, Ste 400 Houston, TX 77007	Roland Rodriguez Construction Manager RolandA.Rodriguez@houstontx.gov	713-868-8321 P 713-868-8422 F
United Rentals (formerly RSC) 16340 Park Ten Place, Ste 300 Houston, TX 77084	Brent Cox Construction Coordinator brent.cox@rentalservice.com	409-682-3870 P
Schultz Partners 231 Tamana Galveston, TX 77554	Marita Schultz Director schultzpartners@sbcglobal.net	713-249-3022 P

# GENERAL CONTRACTOR SERVICES, INC.

8400 La Porte Road, Houston, TX 77012

713-270-5300 phone • 713-270-5305 fax • genconser@comcast.net

## BANK AND TRADE REFERENCES

<u>COMPANY NAME</u>	<u>CONTACT</u>	<u>TELEPHONE &amp; FAX #</u>
Prosperity Bank 3934 FM 1960 West, Ste. 100 Houston, TX 77068	Cindy Harris Regional President	832-249-7600 P 832-249-1717 F
Wachovia/Wells Fargo 21 Waterway, Suite 600 The Woodlands, TX 77380	Linda Raglin	281-362-6659 P 281-362-6654 F
Home Depot Commercial Credit P O Box 183175 Columbus OH 43218-3175	Credit Dept.	800-395-7363 P 888-965-8140 F
Hoffman Lumber Co. P O Box 99 Texas City, TX 77592-0099	Robert Eason	409-945-4416 P 409-945-0870 F
Mayco Building Systems Inc. 6408 Diehl Houston, TX 77092	Vincent May	713-682-7782 P 713-682-8712 F
Kilgore's Clear Lake Lumber 1637 East Main St. League City, TX 77573	Mike Lockwood	281-332-9351 P 281-332-1050 F
CMC Construction Services 2309 N. Frazier Conroe, TX 77303	Cathy	936-441-4450 P 936-441-4461 F
Sherwin-Williams Company 2100 Lakeside Blvd., #400 Richardson, TX 75082	Vanessa Escobar	800-686-8384 P 216-830-7987 F

## General Contractor Services, Inc.

8400 La Porte Road  
Houston, Texas 77012  
Phone: 713-270-5300  
Fax: 713-270-5305  
Email: [genconser@comcast.net](mailto:genconser@comcast.net)

### List Of Larger Equipment

Case Backhoe  
Kubota Tractor  
Lift  
Hydro PDX 85 Roller  
JD Dozer 450  
CAT 50 Dozer  
CAT 315 Excavator

Available to rent equipment for all phase of construction from:

United Rentals  
4002 Texas Avenue  
Texas City, Texas 77590  
Contact: Bret Cox 409-682-3870

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## **MAJOR CONSTRUCTION PROJECTS CURRENTLY IN PROGRESS**

### **CITY OF BAYTOWN: Ongoing Repairs and Maintenance**

Owner: City of Baytown, Texas

Contact: Drew Potts, Project Manager, 281-420-6525

Repairs at Various Community Sites: City Hall, Library, Police Station, Animal Control, etc.

Project Value: Varies per project

### **CITY OF GALVESTON BUS WASH FACILITY: Island Transit Bush Wash - Paving, Related Utility Work**

Owner: City of Galveston, Texas

Contact: Tifney Scott, Purchasing Supervisor, 409-797-3574

Percent Complete: 70%

Project Value: \$1,125,430.00

### **UNCLE BOB'S SELF STORAGE: Ongoing Repairs and Maintenance of Storage Units and Buildings**

Owner: Sovran Self Storage, Inc., Buffalo, New York

Contact: Robert Fisher, [rfisher@sovranss.com](mailto:rfisher@sovranss.com)

Repairs at Various Retail Storage Facilities located throughout Harris and Surrounding Counties

### **222 TAMANA, TIKI ISLAND, TEXAS: New Construction of 3,177 sf Private Residence**

Owner: Lance Flessner

Percent Complete: 70%

Project Value: \$700,000.00

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## COMPLETED MAJOR CONSTRUCTION PROJECTS 2006 - 2015

**1318 MAUI DRIVE, TIKI ISLAND, TEXAS:** New Construction of 2,000 sf Private Residence

Owner: Ray & Diane Deer

Completed February 2016

Project Value: \$350,000.00

**205 SAMPAN, TIKI ISLAND, TEXAS:** Remodel of 2,700 sf Private Residence

Owner: Marc & Melissa Deer

Completed February 2016

Project Value: \$475,000.00

**B & B PIPE TOOLS:** New Facility for Owner Consisting of Interior Demo of Existing 13,000 sf Metal Building & Manufacturing Build-out

Owner: B&B Pipe, South Houston, Texas

Contact: Andrew Bush, [Andrew@bbpipetools.com](mailto:Andrew@bbpipetools.com)

Completed December 2015

Project Value: \$121,332.00

**CITY OF BAYTOWN:** New HydroStop Roof Application at Community Center Building and Various Municipal Buildings

Owner: City of Baytown, Texas

Contact: Drew Potts, Project Manager, 281-420-6525

Completed September 2015

Project Value: \$477,837.00

**TEXAS CHIROPRACTIC COLLEGE, RUSSELL BUILDING:** Interior Renovations

Owner: Texas Chiropractic College, Pasadena, Texas

Contact: Ben Wheeler, 281-487-1170

Completed July 2015

Project Value: \$1,000,000

**TEXAS CHIROPRACTIC COLLEGE, TURLEY BUILDING:** Interior Renovations

Owner: Texas Chiropractic College, Pasadena, Texas

Contact: Ben Wheeler, 281-487-1170

Completed April 2015

Project Value: \$1,000,000

**CITY OF BAYTOWN:** Restroom Renovation at Municipal Court Building

Owner: City of Baytown, Texas

Contact: Roger Duong, Project Manager, 281-420-6525

Completed February 2015

Project Value: \$48,667.00

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**LEONEL J. CASTILLO COMMUNITY CENTER:** Construction of Phase 2 Shell Build-Out Space  
Owner: Harris County, Precinct 2  
Contact: Jaime Kovar, Purchasing, 713-755-5791  
Completed September 2014  
Project Value: \$196,900.00

**ST. MONICA'S FOOD PANTRY:** New Construction of 3,000 SqFt Food Pantry  
Owner: Archdiocese of Galveston – Houston  
Contact: Andre Chachere, Architect, 281-315-8822  
Completed: September 2014  
Project Value: \$223,000.00

**UNIVERSITY OF HOUSTON - DOWNTOWN:** South Deck Stair Tower Repair  
Funded by University of Houston  
Contact: Cory Odstrcil, Purchasing, 713-221-8607  
Completed June 2014  
Project Value: \$150,000.00

**CUSTOM AIR PRODUCTS & SERVICES, INC:** Southbelt Industrial Park Multi-phase Parking Lot Replacement  
Owner: Custom Air Products, Taylor Norris, 713-460-9009  
Completed May 2014  
Project Value: \$220,000.00

**UPPER SLAVE DITCH SLOPE PAVING:** Shaping and sloping of 936 linear foot ditch  
Owner: City of Lake Jackson, Brazoria County, Texas  
Contact: Joe Rinehart, Mayor, 979-415-2413  
Completed April 2014  
Project Value: \$166,812.30

**RONNIE KLUTCH BASEBALL STADIUM:** New Entryway Project  
Owner: Goose Creek Consolidated Independent School District  
Contact: Joseph Villalba, Director of Purchasing, 281-420-4818  
Completed April 2014  
Project Value: \$45,000.00

**HOUSTON HOUSING AUTHORITY – 2100 MEMORIAL DRIVE:** Installation of Automatic Fire Sprinklers and Alarm Systems  
Owner: Houston Housing Authority  
Contact: Mr. Kishor Modi, Construction Coordinator, 713-260-0757  
Completed December 2013  
Project Value: \$1,770,000.00

**PRO-VISION, INC:** Construction of 2 Classrooms, Library and Computer Lab at Pro-Vision School  
Owner: Pro-Vision, Inc. / HCDD, 713-748-0030  
Completed: November 2013  
Project Value: \$953,542.00

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**CITY OF PEARLAND, TEXAS:** Quiet Zone Crossing & Median Improvements

Owner: City of Pearland, Texas

Contact: Patty Patke, Program Specialist, 281-652-1756

Completed November 2013

Project Value: \$141,240.00

**CITY OF PEARLAND, TEXAS:** Cleaning & Painting at 10 Water Treatment Facilities

Owner: City of Pearland, Texas

Contact: Trish Erndt, 281-652-1790

Completed November 2013

Project Value: \$58,907.00

**CUSTOM AIR PRODUCTS & SERVICES, INC:** Road Repair and Traffic Signs

Owner: Custom Air Products, Taylor Norris, 713-460-9009

Completed September 2013

Project Value: \$120,000.00

**CITY OF BAYTOWN:** Municipal Roof Repairs

Owner: City of Baytown, Texas

Contact: Drew Potts, Project Manager, 281-420-6525

Roof Repairs at Various Community Sites: City Hall, Library/Museum, Utility Billing Ctr, Municipal Ctr

Completed October 2013

Project Value: \$885,390.00

**BANK OF AMERICA TOWNE LAKE CENTER,** Houston, Texas: New Concrete

Owner: Golden Sands, Miami, Florida, 305-633-3336

Completed October 2013

Project Value: \$ 36,000.00

**A & C PLASTICS,** Houston, Texas: New Construction of Faulk Plaza Warehouse & Storage

Owner: Carolyn Faulk, 713-645-4915

Completed February 2013

Project Value: \$ 400,000.00

**HARRIS COUNTY, TEXAS,** Concrete Repairs, Precinct 3

Owner: Harris County

Contact: Angela Murry, 713-755-7034

Completed August 2013

Project Value: \$400,000.00

**HARRIS COUNTY, TEXAS,** Concrete Repairs, Precinct 4

Owner: Harris County

Contact: Patrick Givens, P.E., Project Manager - Road & Bridge, 713-755-1092

Completed August 2013

Project Value: \$500,000.00

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## **HOUSTON HOUSING AUTHORITY – FOREST GREEN HOUSING DEVELOPMENT,**

Houston, Texas: Replacement of Second Floor Units/Decking

Owner: Houston Housing Authority

Contact: Mr. Kishor Modi, Construction Coordinator, 713-260-0757

Completed January 2013

Project Value: \$120,000.00

## **WESTHEIMER READINESS CENTER, Houston, Texas: Building Renovation**

Funded by Adjutant General's Department

Denis Feary, Project Manager, 512-782-6071

Architect: Ron Fuertes, Powers Brown Architecture, 713-224-0456

Completed August 2012

Project Value: \$ 636,938.00

## **PELICAN REST MARINA, Galveston, Texas: New Concrete Slab for New Restaurant at Privately-Owned Marina**

Owner: Schultz Partners, Marita Schultz, 409-744-2618

Completed March 2013

Project Value: \$ 90,000.00

## **SINGLE FAMILY HOME REPLACEMENT: Houston, Texas: Demo Old & Build New Homes at Various Locations in Houston**

Funded by City of Houston, Housing & Community Development-TIER 3 Program, Houston, Texas,

Ray Daniels, Project Manager, 713-868-8321

Completed December 2011

Project Value: \$ 820,000.00

## **CITY OF SHOREACRES POLICE STATION: Shoreacres, Texas: New Construction, Police Station**

Funded by City of Shoreacres, Shoreacres, Texas

Architect: BBR Studios, Houston, TX, 713-621-0202

Completed September 2011

Project Value: \$ 600,000.00

## **ISLAMIC BUSINESS CENTER: New Construction, Humble, Texas**

Funded by Razi Niazi

Architect: Rawhi Khalifeh, PE, RSK Engineering, 281-580-4585

Completed July 2011

Project Value: \$ 1,406,156.00

## **CITY OF HOUSTON, HOUSING & COMMUNITY DEVELOPMENT: Demo & Reconstruction of 5 Houses**

Funded by the Houston Housing & Community Development

Ray Daniels, Project Manager, 713-868-8321

Completed July 2011

Project Value: \$ 425,000.00

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**CITY OF BAYTOWN:** Repairs at Various Community Sites: City Hall, Library, Police Station  
Funded by the City of Baytown  
Drew Potts, Project Manager, 281-420-6525  
Completed July 2011  
Project Value: \$ 323,147.00

**ACCESSABILITY IMPROVEMENT WORK AT VARIOUS HOUSING DEVELOPMENTS:**  
Restoration work  
Funded by the Houston Housing Authority  
Kishor Modi, Construction Coordinator 713-260-0757  
Architect: Robert L. Adams, Jr. AIA Architect, 281-272-7000  
Completed February 2011  
Project Value: \$ 3,668,052.00

**UNIVERSITY OF HOUSTON-DOWNTOWN:** Renovation  
Funded by University of Houston  
Chris McCall, Project Manager, 713-221-8030  
June 2010 – October 2010  
Project Value: \$ 135,672.00

**COBB & DEZAVALA ELEMENTARY SCHOOLS:** Kitchen Renovation  
Funded by Channelview ISD  
Kris Lynn, Program Manager, 281-452-8002  
June 2008 - January 2009  
Project Value: \$ 943,000.00

**BELLERIVE ELDERLY HOUSING:** Fire Restoration, Phase II  
Funded by the Houston Housing Authority  
Kishor Modi, Construction Coordinator, 713-260-0757  
Architect: Hermes Architects, Jeff Powell, 713-785-3644  
July 2008 – January 2009  
Project Value: \$ 3,000,000.00

**NOVA HEALTH CARE, GALVESTON, TX:** Hurricane Ike Restoration  
Funded by Schultz Interests  
Terry Schultz, 832-545-8377  
October 2008 – January 2009  
Project Value: \$ 143,663.13

**BELLERIVE ELDERLY HOUSING:** Fire Restoration, Phase I  
Funded by the Houston Housing Authority, Kishor Modi, Construction Coordinator, 713-260-0757  
Architect: Hermes Architects, Jeff Powell, 713-785-3644  
April 2008 – December 2008  
Project Value: \$ 1,428,725.12

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## **RSC - GALVESTON, TX: Hurricane Ike Restoration**

Funded by Rental Service Corporation

Robert Fisher, Regional Manager, 281-228-6940

October 2008 – November 2008

Project Value: \$ 184,110.23

## **BELLERIVE ELDERLY HOUSING: Fire Restoration, COP 201**

Funded by the Houston Housing Authority

Kishor Modi, Construction Coordinator, 713-260-0757

Architect: Hermes Architects, Jeff Powell, 713-785-3644

April 2008 – December 2008

Project Value: \$ 1,492,780.94

## **TELEPHONE ROAD SITE WORK: Site Improvements**

Funded by the Houston Housing Authority

Kishor Modi, Construction Coordinator, 713-260-0757

July 2006

Project Value: \$ 430,635.00

## **HANDICAP REPAIR WORK @ FIVE DEVELOPMENTS: Site Improvements**

Funded by the Houston Housing Authority

Horace Allison, Sr. VP Contracting Officer, 713-260-0767

May 2006 - May 2008

Project Value: \$ 967,400.00

## **RSC EQUIPMENT RENTAL - VARIOUS STORES IN HOUSTON AREA: Site Improvements**

Funded by Rental Service Corporation

Jason Shade, Project Manager, 281-647-5018

August 2006 - May 2008

Project Value: \$ 139,603.43

## **CITY OF HOUSTON HOUSING & COMMUNITY DEVELOPMENT-TIER 3 PROGRAM: Demo Old &**

Build New Homes-Variou Locations in Houston

Funded by Houston Housing & Community Development

Ray Daniels, 713-868-8321

May, 2007 - May 2008 (Completed 19 homes)

Project Value: \$1,710,000.00

## **RSC EQUIPMENT RENTAL - CORPUS CHRISTI, TX: New Construction on New Site**

Funded by 7840 Hwy 146, LLC

Michael Silberstein, President, 281-499-3877

January 2008 - May, 2008

Project Value: \$1,406,564.00

## **TEXAS WORKFORCE COMMISSION - FT WORTH, TX: Build Back Project**

Funded by Honesty Environmental Services, Inc.

Kamal Hussein, Vice President, 713-856-5354

February 2008 - May, 2008

Project Value: \$ 217,579.00

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## **TEXAS A&M UNIVERSITY - GALVESTON, TX: Remodel & Repair Work**

Funded by Constructors & Associates, Inc.

Larry Ingram, 713-650-6420

February 2008 - April, 2008

Project Value: \$ 11,740.51

## **LYERLY ELDERLY APARTMENTS-HOUSTON, TX: Paint Exterior**

Funded by Tarantino Properties, Inc.

Brenda Choate, 713-974-4292

February 2008 - March, 2008

Project Value: \$ 44,835.00

## **VERNE COX BALLFIELD ASPHALT RESTORATIONS: Restore Asphalt**

Funded by City of Pasadena

Morrow Cummins, Project Coordinator for Parks & Recreation Dept., 713-740-7062

October 2007 - November 2007

Project Value: \$ 88,111.28

## **SUNSET SWIMMING POOL BUILDING RENOVATIONS: Renovation**

Funded by City of Pasadena

Morrow Cummings, Project Coordinator for Parks & Recreation Dept., 713-740-7062

March 2007 - June 2007

Project Value: \$ 180,088.00

## **HANDICAP ACCESSIBILITY WORK - VARIOUS HOUSING DEVELOPMENTS: Modernization Improvements**

Funded by Houston Housing Authority

Kishor Modi, Construction Coordinator, 713-260-0757

2006 - 2007

Project Value: \$ 715,000.00

## **RSC - TEXAS CITY STORE: Addition/Remodel**

Funded by Rental Service Corporation

Brent Cox, Store Manager, 409-938-0766

2006 - 2007

Project Value: \$ 884,400.00

## **RSC - LAPORTE STORE: Addition/Remodel**

Funded by Rental Service Corporation

Wendy Broussard, Store Manager, 281-228-6940

2006 - 2007

Project Value: \$ 711,597.28

## **RSC - BATTLEGROUND ROAD, DEER PARK, STORE: Remodel**

Funded by Rental Service Corporation

Jerry Fields, Sr. Manager, 281-542-2511

2006 - 2007

Project Value: \$ 323,931.60

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## **CITY OF BAYTOWN CITY HALL: Remodel**

Funded by City of Baytown

Drew Potts, Project Manager, 281-420-6525

2007 - 2007

Project Value: \$ 15,482.80

## **TRANSWESTERN: Remodel/Build-out in high-rise office buildings**

Funded by Transwestern Commercial Services

Jody Lancour, Building Engineer, 832-369-5800

2005 - 2008

Project Value: \$ 663,233.72

## **TPC BAYTOWN CONTROL ROOM & WAREHOUSE: Build-out**

Funded by Texas Petrochemicals, LP, William Prett, Capital Expenditures, 713-740-3052

January 2007 - May 2007

Project Value (Control Room) \$ 244,956.01

June 2007 - June 2007

Project Value (Warehouse) \$ 5,494.00

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## COMPLETED MAJOR SCHOOL PROJECTS

### **TEXAS CHIROPRACTIC COLLEGE, TURLEY BUILDING:** Interior Renovations

Owner: Texas Chiropractic College, Pasadena, Texas

Contact: Ben Wheeler. 281-487-1170

Completed April 2015

Project Value: \$1,000,000

### **UNIVERSITY OF HOUSTON - DOWNTOWN:** South Deck Stair Tower Repair

Funded by University of Houston

Contact: Cory Odstrcil, Purchasing, 713-221-8607

Completed June 2014

Project Value: \$150,000.00

### **PRO-VISION, INC:** Construction of 2 Classrooms, Library and Computer Lab at Pro-Vision School

Owner: Pro-Vision, Inc. / HCDD, 713-748-0030

Completed: November 2013

Project Value: \$953,542.00

### **COBB & DEZAVALA ELEMENTARY SCHOOLS:** Kitchen Renovation

Funded by Channelview ISD

Kris Lynn, Program Manager, 281-452-8002

June 2008 - January 2009

Project Value: \$ 943,000.00

### **QUAIL VALLEY MIDDLE SCHOOL:** Construction of 9 New Science Labs and Modification to 5 Existing Classrooms (approximately 18,800 square feet)

Funded by Fort Bend ISD

2002 - 2003

Project Value: \$ 2,300,000.00

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## COMPLETED MAJOR SCHOOL PROJECTS Continued

**SOUTH GESSNER ELEMENTARY SCHOOL:** Renovations to an Existing Middle School Converting it to an HISD Elementary School (approximately 32,000 square feet, 3 single-story buildings)

Funded by Houston ISD

2001

Project Value: \$ 693,000.00

**LAS AMERICAS PROJECT:** New Construction of 3-Story Charter School, Including New MEP Systems (approximately 22,500 square feet)

Funded by Hispanic Housing & Education Corporation

2000 – 2001

Project Value: \$2,542,931.00

**CHILDREN'S WORLD LEARNING CENTERS:** Maintenance of 28 Locations

Privately Funded

1995 – 1999

Project Value: Varies



03 March 2016

R.J. Davidson  
Deputy Building Official  
City of La Porte City Hall  
604 West Fairmont Parkway  
La Porte, Texas 77571

Re: LPISD Historic Colored School  
Phase I - Deconstruction  
City of La Porte Bid #16002  
RHA Project #1460

Mr. Davidson:

Ms. Cherrel Daeumer, City of La Porte Purchasing Manager, has forwarded the bid documents for the LPISD Historic Colored School Phase I – Deconstruction submitted by General Contractor Services, Inc. on 01 March 2016 for our review. With exception of the missing Non-Collusion Affidavit and Certificate of recovered Materials noted by Ms. Emily Phalan of GrantWorks, Inc., the bid documents appear to be in order.

General Contractor Services, Inc. participated in the prebid conference conducted by the City, demonstrating a good understanding of the project scope and requirements. The bid amount of thirty one thousand three hundred eighty dollars (\$31,380.00) seems reasonable and fair for the scope of the Phase I work. It is our recommendation that the City accept this bid.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ricard P. Hollington II', written in a cursive style.

Ricard P. Hollington II, Principal

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>March 14, 2016</u>
Requested By: <u>Sharon Valiante</u>
Department: <u>Public Works</u>
Report: _____ Resolution: _____ Ordinance: _____

<b><u>Budget</u></b>
Source of Funds: <u>Motor Pool</u>
Account Number: <u>Various</u>
Amount Budgeted: <u>\$ 92,466.00</u>
Amount Requested: <u>\$ 75,619.00</u>
Budgeted Item: <b>YES</b>

Exhibits: Bid Tabulation

Exhibits: Vehicle Replacement List

Exhibits: IT Lease Vehicle Worksheet

Exhibits: Motor Pool Replacement Balance Fund Summary

### **SUMMARY & RECOMMENDATION**

Sealed bids (#16008) were received on February 2, 2016 for replacement of one half ton 4-wheel drive pickup, one three quarter ton crew cab pickup, and one standard cargo van. Bids were accessed online by eighteen vendors with two returning bids. Low bid meeting specifications or best value are listed below.

BIDDER	ITEM	BUDGETED	BID	USER
Grapevine Dodge	One- Half Ton 4-wheel drive Pickup	23,532.00	23,263.00	GOLF
	One- 3/4 ton crew cab pickup with 4-wheel drive	47,394.00	30,946.00	FIRE
Caldwell Country Chevrolet	Standard Transit Cargo Van	21,540.00 <sup>1</sup>	21,410.00	IT
<b>TOTAL</b>		<b>\$92,466.00</b>	<b>\$75,619.00</b>	

<sup>1</sup> The Information Technologies Division requested to replace the van (66-04) assigned to the Division this year that is not on the replacement list. The Division has funding available in the Motor Pool Lease Fees to replace the cargo van that is currently assigned to the Division. The funding has been budgeted over a three-year (FY 14, 15, and 16) period to account for replacement.

#### **Action Required by Council:**

1. Consider approval or other action to award bid 16008 to Grapevine Dodge for one half-ton 4-wheel drive pickup truck (\$23,263.00), and one ¾ ton crew cab pickup (30,946.00) for the bid prices provided.
2. Consider approval or other action to award bid 16008 to Caldwell Country Chevrolet for one standard transit cargo van (\$21,410.00) for the bid price provided.

#### **Approved for City Council Agenda**

\_\_\_\_\_  
Corby D. Alexander, City Manager

\_\_\_\_\_  
Date

**Bid Tabulation to Sealed Bid #16008 - Vehicles (Trucks and Van)**

Item	Description	QTY	Caldwell Country Chevrolet, LP			Grapevine Dodge, LLC		
			Make/Model	Unit Price	Extended Price	Make/Model	Unit Price	Extended Price
2	1/2 ton pick-up with 4-wheel drive as per specifications	1	Chevy 1500 Silverado 4 x 4 reg LWB, CK 15903	23565	23565	Ram 1500, DS6L62	23263	23263
3	3/4 ton crew cab pickup with 4-wheel drive as per specifications	1	Chevy 2500 HD Silverady 4 x 4 SWB	31925	31925	Ram 2500*, DJ7L91	30946	30946
<b>Sub Total pickup trucks</b>					<b>\$55,490.00</b>			<b>\$54,209.00</b>
4	Standard transit cargo van as per specifications	1	Chevy City Express Cargo , 15T60	21410	21410	No Bid	na	0
<b>Grand total all items</b>					<b>\$76,900.00</b>			<b>\$54,209.00</b>

**Bid Tabulations are not final and may not be indication of final award**

**CITY OF LA PORTE  
SUMMARY OF VEHICLE REPLACEMENTS  
FISCAL YEAR 2015-16**

Account Number	Amount	Unit	Description
009-5051-522-8050	\$ 47,394	51-20	2003 Ford F-350 Crew 4X4 ←
009-5253-521-8050	20,545	53-05	1998 Radar Trailer
009-5253-521-8050	37,987	53-10	2009 Ford Police Interceptor
009-5253-521-8050	37,987	53-13	2010 Ford Police Interceptor
009-5253-521-8050	37,987	53-19	2010 Ford Police Interceptor
009-5253-521-8050	37,987	53-20	2010 Ford Police Interceptor
009-5253-521-8050	37,987	53-26	2010 Dodge Charger Interceptor
009-5253-521-8050	37,987	53-32	2008 Ford Police Interceptor
009-5253-521-8050	37,987	53-60	2007 Chevy Impala Interceptor
009-5253-521-8050	37,987	53-67	2008 Chevy Impala Interceptor
009-5253-521-8050	37,987	53-79	2011 Ford Police Interceptor
009-6049-551-8050	<del>13,095</del>	<del>49-09</del>	<del>2010 Zero Turn Mower</del>
009-6049-551-8050	<del>26,243</del>	<del>49-10</del>	<del>2010 Tri-Plex Mower</del>
009-6049-551-8050	30,124	49-30	2011 Greens Mower
009-6049-551-8050	23,532	49-33	2003 Ford F150 Pickup ←
009-5059-522-8050	94,789	59-34	2011 Ford F450 Ambulance
009-7071-531-8050	50,733	71-09	2003 Underground Pipehunter
009-7071-531-8050	31,760	71-23	2003 John Deere 5420 Tractor
009-7071-531-8050	44,051	71-29	2004 Crafcro Crack Sealer
009-7071-531-8050	147,466	71-36	2001 New Holland Tractor
009-7071-531-8050	42,203	71-46	2004 Chevy 3500 Flatbed Truck
009-7071-531-8050	31,760	71-76	2005 John Deere Tractor
009-7072-532-8050	152,168	72-42	2006 GMC Topkick W/Picker
009-7072-532-8050	158,579	72-43	2006 Sterling LT9500 Rearloader
009-7072-532-8050	158,579	72-44	2006 Sterling LT9500 Rearloader
009-7074-532-8050	18,437	74-17	2005 Ford F150 Pickup
009-7074-532-8050	18,437	74-20	2004 Chevy 150 Pickup
009-7077-533-8050	36,816	77-55	2003 Ford New Holland
009-7077-533-8050	13,685	77-61	2007 Bushhog Mower
009-8080-552-8050	38,997	80-40	2002 John Deere Tractor
009-8081-552-8050	18,437	81-10	2004 Chevy 1500 Pickup
009-7084-533-8050	18,437	84-22	2003 Chevy 1500 Pickup
009-7085-533-8050	18,437	85-03	2004 Chevy 1500 Pickup
009-7085-533-8050	35,375	85-37	2005 Ford F350 W/Utility Body
009-7086-533-8050	35,375	86-37	2005 Ford F350 W/Utility Body
	\$ 1,667,337		

LEASE FEE CALCULATION 2015\_2016

Description: 2016 vehicle to be funded

VIN

Year Purchased 2016



IT

DEPT:

Unit #

606

66-04

Assigned Life

36 Months

2012/2013 fees adjusted by \$200,000 transfer from general fund. \$200,000 funding will be applied to 2013/2014 and 2014/2015 fees in future.

NOTE1:

NOTE2: Added 2014 per mike dolby/cm

NOTE3:

YEAR	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>
Current Replacement Cost		<u>15000</u>	<u>19125</u>	<u>21540</u>
- salvage or trade -in value		<u>1750</u>	<u>1750</u>	<u>1500</u>
= total Value to be Funded		<u>13250</u>	<u>17375</u>	<u>20040</u>
- Amount Previously Funded		<u>0</u>	<u>5000</u>	<u>11418</u>
= Amount Still to be Funded		<u>13250</u>	<u>12375</u>	<u>8622</u>
/ by months of life remaining		<u>36</u>	<u>24</u>	<u>12</u>
= Current Monthly Charge		<u>417</u>	<u>516</u>	<u>717</u>
* by Months in Fiscal Year		<u>12</u>	<u>12</u>	<u>12</u>
= Annual Lease Fee		<u>4948</u>	<u>6179</u>	<u>8616</u>
+ Interest Earned on Funding		<u>2</u>	<u>4</u>	<u>14</u>
= Total Funded by Division		<u>5000</u>	<u>6183</u>	<u>20048</u>

Account #	Budgeted	Unit	Description	Purchase
009-5051-522-8050	\$ 47,394	51-20	2003 FORD F-350 CREW 4X4	35,946
<b>Total:</b>	<b>47,394</b>			
009-5253-521-8050	20,545	53-05	1998 RADAR TRAILER	18,963
009-5253-521-8050	37,987	53-13	2010 FORD POLICE INTERCEPTOR	44,099
009-5253-521-8050	37,987	53-19	2010 FORD POLICE INTERCEPTOR	44,099
009-5253-521-8050	37,987	53-20	2010 FORD POLICE INTERCEPTOR	44,099
009-5253-521-8050	37,987	53-26	2010 DODGE CHARGER INTERCEPTOR	44,099
009-5253-521-8050	37,987	53-32	2008 FORD POLICE INTERCEPTOR	42,092
009-5253-521-8050	37,987	53-60	2007 CHEVY IMPALA INTERCEPTOR	33,609
009-5253-521-8050	37,987	53-67	2008 CHEVY IMPALA INTERCEPTOR	33,609
009-5253-521-8050	37,987	53-79	2011 FORD POLICE INTERCEPTOR	32,570
<b>Total:</b>	<b>324,441</b>			<b>337,240</b>
009-6049-551-8050	13,095	49-09	2010 ZERO TURN MOWER	10,965
009-6049-551-8050	26,243	49-10	2010 TRI-PLEX MOWER	26,251
009-6049-551-8050	30,124	49-30	2011 GREENS MOWER	32,100
009-6049-551-8050	23,532	49-33	2003 FORD F150 PICKUP	23,263
<b>Total:</b>	<b>92,994</b>			<b>92,580</b>
009-5059-522-8050	94,789	59-34	2011 FORD F450 AMBULANCE	94,525
<b>Total:</b>	<b>94,789</b>			<b>94,525</b>
009-7071-531-8050	50,733	71-09	2003 UNDERGROUND PIPEHUNTER	44,300
009-7071-531-8051	31,760	71-23	2003 JOHN DEERE 5420 TRACTOR	23,172
009-7071-531-8050	44,051	71-29	2004 CRAFTCO CRACK SEALER	47,292
009-7071-531-8050	147,466	71-36	2001 NEW HOLLAND TRACTOR	111,432
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009-7071-531-8050	31,760	71-76	2005 JOHN DEERE TRACTOR	37,123
<b>Total:</b>	<b>347,973</b>			<b>301,706</b>
009-7072-532-8050	152,168	72-42	2006 GMC TOPKICK W/PICKER	158,569
009-7072-532-8050	158,579	72-43	2006 STERLING LT9500 REARLOADER	144,780
009-7072-532-8050	158,579	72-44	2006 STERLING LT9500 REARLOADER	144,780
<b>Total:</b>	<b>469,327</b>			<b>448,129</b>
009-7074-532-8050	18,437	74-17	2005 FORD F150 PICKUP	18,935
009-7074-532-8050	18,437	74-20	2004 CHEVY 1500 PICKUP	18,935
<b>Total:</b>	<b>36,874</b>			<b>37,870</b>
009-7077-531-8050	36,816	77-55	2003 FORD NEW HOLLAND	37,602
009-7077-531-8050	13,685	77-61	2007 BUSHHOG MOWER	10,278
<b>Total:</b>	<b>50,501</b>			<b>47,880</b>
009-8080-551-8050	38,997	80-40	2002 JOHN DEERE TRACTOR	36,357
<b>Total:</b>	<b>38,997</b>			<b>36,357</b>
009-8081-551-8050	18,437	81-10	2004 CHEVY 1500 PICKUP	18,935
<b>Total:</b>	<b>18,437</b>			<b>18,935</b>
009-7084-533-8050	18,437	84-22	2003 CHEVY 1500 PICKUP	18,935
<b>Total:</b>	<b>18,437</b>			<b>18,935</b>
009-7085-533-8050	18,437	85-03	2004 CHEVY 1500 PICKUP	18,935
009-7085-533-8050	35,375	85-37	2005 FORD F350 W/UTILITY BODY	34,960
<b>Total:</b>	<b>53,811</b>			<b>53,895</b>
009-7086-532-8050	35,375	86-37	2005 FORD F350 W/UTILITY BODY	34,960
<b>Total:</b>	<b>35,375</b>			<b>34,960</b>
<b>Total Motor Pool*:</b>	<b>1,629,349</b>		<b>Total Purchase Costs</b>	<b>1,523,012</b>
<b>Original Budget Total:</b>	<b>1,667,337</b>		<b>Remaining Balance</b>	<b>144,325</b>

Funded amount as of 09/30/2015

\*replacement of one sedan "53-10" Patrol car was deferred to future year.

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>March 14, 2016</u>
Requested By: <u>Sharon Valiante</u>
Department: <u>Public Works</u>
Report: <input checked="" type="checkbox"/> Resolution: <input type="checkbox"/> Ordinance: <input type="checkbox"/>

<b><u>Budget</u></b>
Source of Funds: <u>Motor Pool</u>
Account Number: <u>00960495518050</u>
Amount Budgeted: <u>\$ 148,552.00</u>
Amount Requested: <u>\$ 153,026.75</u>
Budgeted Item: <b>YES</b>

Exhibits: Summary of Vehicle Replacement

Exhibits: HGAC Worksheets

Exhibits Texas Local Government Purchasing Cooperative  
 Exhibits Motor Pool Replacement Balance Summary

### **SUMMARY & RECOMMENDATION**

The FY 2016 budget includes funding for the replacement of one (1) Tri-Plex Mower 49-10 , one (1) Greens Mower 49-30, and (5) ½ TON Pickup Trucks.

Competitive quotes were received through H-GAC local government purchasing cooperative for replacement of one Trim/Surrounds mower to replace the Tri-Plex mower and one Greens Mower, and from the Texas Local Government Purchasing Cooperative for five ½ ton pickup trucks.

VENDOR	BUDGET ITEM	BUDGETED	BID	USER
Brookside Equipment	Trim/Surrounds Mower <sup>1</sup>	26,243.00	26,251.33	GOLF
	Greens Mower <sup>1</sup>	30,124.00	32,100.42	GOLF
Rush Truck Center	Five - ½ ton Pickup Trucks	92,185.00	94,675.00	REC PW
	TOTAL	148,552.00	153,026.75	

<sup>1</sup> Includes trade-in allowance

The budget shortfall of \$1,984.75 for the two mowers quoted is made up from the purchase of the Zero Turn Mower 49-09 \$2,130.00 under budget approved at the February 8, 2016 Council meeting. The individual item budget shortfall of \$2,490 for the five ½ ton pickups is made up from other Council approved purchases of pickup trucks in FY 2016 as shown in the Motor Pool Fund Balance Worksheet attached.

Staff recommends purchase of the Trim/Surrounds Mower and Greens Mower through H-GAC from Brookside Equipment and the pickup trucks through Rush Truck Center.

#### **Action Required by Council:**

1. Consider approval or other action to award purchase of one – Trim/Surrounds Mower (\$26,251.33) with trade-in allowance, and one Greens Mower (32,100.42) with trade-in allowance, to Brookside Equipment.
2. Consider approval or other action to award purchase of five ½-ton pickup trucks (\$94,675.00) to Rush Truck Center.

#### **Approved for City Council Agenda**

\_\_\_\_\_  
 Corby D. Alexander, City Manager

\_\_\_\_\_  
 Date

**CITY OF LA PORTE  
SUMMARY OF VEHICLE REPLACEMENTS  
FISCAL YEAR 2015-16**

<b>Account Number</b>	<b>Amount</b>	<b>Unit</b>	<b>Description</b>
009-5051-522-8050	\$ 47,394	51-20	2003 Ford F-350 Crew 4X4
009-5253-521-8050	20,545	53-05	1998 Radar Trailer
009-5253-521-8050	37,987	53-10	2009 Ford Police Interceptor
009-5253-521-8050	37,987	53-13	2010 Ford Police Interceptor
009-5253-521-8050	37,987	53-19	2010 Ford Police Interceptor
009-5253-521-8050	37,987	53-20	2010 Ford Police Interceptor
009-5253-521-8050	37,987	53-26	2010 Dodge Charger Interceptor
009-5253-521-8050	37,987	53-32	2008 Ford Police Interceptor
009-5253-521-8050	37,987	53-60	2007 Chevy Impala Interceptor
009-5253-521-8050	37,987	53-67	2008 Chevy Impala Interceptor
009-5253-521-8050	37,987	53-79	2011 Ford Police Interceptor
009-6049-551-8050	13,095	49-09	2010 Zero Turn Mower
009-6049-551-8050	26,243	49-10	2010 Tri-Plex Mower
009-6049-551-8050	30,124	49-30	2011 Greens Mower
009-6049-551-8050	23,532	49-33	2003 Ford F150 Pickup
009-5059-522-8050	94,789	59-34	2011 Ford F450 Ambulance
009-7071-531-8050	50,733	71-09	2003 Underground Pipehunter
009-7071-531-8050	31,760	71-23	2003 John Deere 5420 Tractor
009-7071-531-8050	44,051	71-29	2004 Crafcro Crack Sealer
009-7071-531-8050	147,466	71-36	2001 New Holland Tractor
009-7071-531-8050	42,203	71-46	2004 Chevy 3500 Flatbed Truck
009-7071-531-8050	31,760	71-76	2005 John Deere Tractor
009-7072-532-8050	152,168	72-42	2006 GMC Topkick W/Picker
009-7072-532-8050	158,579	72-43	2006 Sterling LT9500 Rearloader
009-7072-532-8050	158,579	72-44	2006 Sterling LT9500 Rearloader
009-7074-532-8050	18,437	74-17	2005 Ford F150 Pickup
009-7074-532-8050	18,437	74-20	2004 Chevy 150 Pickup
009-7077-533-8050	36,816	77-55	2003 Ford New Holland
009-7077-533-8050	13,685	77-61	2007 Bushhog Mower
009-8080-552-8050	38,997	80-40	2002 John Deere Tractor
009-8081-552-8050	18,437	81-10	2004 Chevy 1500 Pickup
009-7084-533-8050	18,437	84-22	2003 Chevy 1500 Pickup
009-7085-533-8050	18,437	85-03	2004 Chevy 1500 Pickup
009-7085-533-8050	35,375	85-37	2005 Ford F350 W/Utility Body
009-7086-533-8050	35,375	86-37	2005 Ford F350 W/Utility Body
	<b>\$ 1,667,337</b>		



**JOHN DEERE**

**Brookside**  
Equipment Sales, Inc.

49-10

ALL PURCHASE ORDERS MUST BE MADE OUT TO (VENDOR):

Deere & Company  
2000 John Deere Run  
Cary, NC 27513  
FED ID: 36-2382580; DUNS#: 60-7690989

ALL PURCHASE ORDERS MUST BE SENT TO DELIVERING DEALER:

Brookside Equipment Sales  
7707 Mosley  
Houston, TX 77017  
713-943-7100  
houstoncentral@brooksideusa.com

**Quote Summary**

Prepared For:  
City Of Laporte  
Mike Collins  
2963 N 23rd St  
La Porte, TX 77571  
Business: 281-470-5126

Delivering Dealer:  
Brookside Equipment Sales  
Brant North  
7707 Mosley  
Houston, TX 77017  
Phone: 713-943-7100  
bnorth@brooksideusa.com

**HGAC CONTRACT GR01-15. MAKE PO OUT TO: JOHN DEERE CO. 2000 JOHN DEERE RUN. CARY, N.C. 27513. SEND COPY OF ORDER TO BRANT NORTH FOR ORDER ENTRY PROCEDURES. bnorth@brooksideusa.com**

Quote ID: 12735826  
Created On: 03 February 2016  
Last Modified On: 03 February 2016  
Expiration Date: 31 March 2016

Equipment Summary	Suggested List	Selling Price	Qty	Extended
JOHN DEERE 2653B PrecisionCut Trim and Surrounds Mower Contract: TX HGAC GR01-15 Price Effective Date: November 11, 2015	\$ 36,197.17	\$ 28,451.33 X	1 =	\$ 28,451.33

Equipment Total **\$ 28,451.33**

Trade In Summary	Qty	Each	Extended
2010 JOHN DEERE 2653B TRIM/SURROUND MOWER - TC2653T040114	1	\$ 2,200.00	\$ 2,200.00
PayOff			\$ 0.00
Total Trade Allowance			\$ 2,200.00

Trade In Total **\$ 2,200.00**

\* Includes Fees and Non-contract items

Quote Summary	
Equipment Total	\$ 28,451.33
Trade In	\$(2,200.00)
SubTotal	\$ 26,251.33
Total	\$ 26,251.33
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 26,251.33

Salesperson : X \_\_\_\_\_

Accepted By : X \_\_\_\_\_



49-30

ALL PURCHASE ORDERS MUST BE MADE OUT TO (VENDOR):

Deere & Company  
2000 John Deere Run  
Cary, NC 27513  
FED ID: 36-2382580; DUNS#: 60-7690989

ALL PURCHASE ORDERS MUST BE SENT TO DELIVERING DEALER:

Brookside Equipment Sales  
7707 Mosley  
Houston, TX 77017  
713-943-7100  
houstoncentral@brooksideusa.com

Quote Summary

Prepared For:  
City Of Laporte  
Mike Collins  
2963 N 23rd St  
La Porte, TX 77571  
Business: 281-470-5126

Delivering Dealer:  
Brookside Equipment Sales  
Brant North  
7707 Mosley  
Houston, TX 77017  
Phone: 713-943-7100  
bnorth@brooksideusa.com

**HGAC CONTRACT GR01-15. MAKE PO OUT TO: JOHN DEERE CO. 2000 JOHN DEERE RUN. CARY, N.C. 27513. SEND COPY TO BRANT NORTH FOR ORDER ENTRY PROCEDURES. bnorth@brooksideusa.com**

Quote ID: 12735931  
Created On: 03 February 2016  
Last Modified On: 03 February 2016  
Expiration Date: 31 March 2016

Equipment Summary	Suggested List	Selling Price	Qty	Extended
JOHN DEERE 2500B PrecisionCut Riding Greens Mower - Diesel Contract: TX HGAC GR01-15 Price Effective Date: November 11, 2015	\$ 41,771.01	\$ 32,850.42 X	1 =	\$ 32,850.42

Equipment Total \$ 32,850.42

Trade In Summary	Qty	Each	Extended
2011 Jacobsen Greensking IV Diesel with verticutters and reels - 6230401822	1	\$ 750.00	\$ 750.00
PayOff			\$ 0.00
Total Trade Allowance			\$ 750.00

Trade In Total \$ 750.00

\* Includes Fees and Non-contract items

Quote Summary	
Equipment Total	\$ 32,850.42
Trade In	\$ (750.00)
SubTotal	\$ 32,100.42
Total	\$ 32,100.42
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 32,100.42

Salesperson : X \_\_\_\_\_

Accepted By : X \_\_\_\_\_

# TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE BUYBOARD

Vendor	RUSH TRUCK CENTER	Date Prepared	12/1/2015
Contact for Vendor:	DREW NEUBAUER	Phone	830-302-5254
End User:	City of La Porte		
End User Contact:	Michael Collins	Phone/Fax	940-325-6404
Product Description:	F150		

A: Base Price in Bid/Proposal Number: <b>430-13</b>		Series: <b>150</b>		\$16,200.00	
B: Published Options (Itemize Below)					
	DESCRIPTION	AMOUNT	OPT #	DESCRIPTION	AMOUNT
RTC0051	Rush Care Package	\$ 1,236.00			
RTC1058	Ford Make Ready	\$ 200.00			
RTC1059	Flooring	\$ 497.00			
RTC1060	Insurance	\$ 497.00			
Subtotal Column 1:		\$ 2,430.00	Subtotal Column 2:		\$ -
Published Options added to Base Price (Subtotal of "Col 1" & "Col 2")					\$ 2,430.00

C: Subtotal of A + B				\$18,630.00	
D: Non Published Options					
Extra Keys and State Inspection		\$225.00			
Subtotal Column 1:		\$225.00	Subtotal Column 2:		\$ -
Unpublished Options added to Base price (Subtotal "Col 1 + Col 2")				\$225.00	

E: Contract Price Adjustment (If any, explain here)			

F: Total of C + D +/- E	\$ 18,855.00
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G: Quantity ordered Units: <u>5.00</u> x F	\$ 94,275.00
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H: BUYBOARD Administrative Fee	%	\$ 400.00
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I: Non-Equipment Charges & Credits (I.e.: Ext. Warranty, Trade-In, Delivery, etc.)				
FOB Dallas TX				

J: TOTAL PURCHASE PRICE INCLUDING (G+H+I)	\$94,675.00
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Account #	Budgeted	Unit	Description	Purchase
009-5051-522-8050	\$ 47,394	51-20	2003 FORD F-350 CREW 4X4	35,946
<b>Total:</b>	<b>47,394</b>			
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009-7071-531-8050	50,733	71-09	2003 UNDERGROUND PIPEHUNTER	44,300
009-7071-531-8051	31,760	71-23	2003 JOHN DEERE 5420 TRACTOR	23,172
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<b>Total:</b>	<b>38,997</b>			<b>36,357</b>
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<b>Total:</b>	<b>18,437</b>			<b>18,935</b>
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<b>Total:</b>	<b>18,437</b>			<b>18,935</b>
009-7085-533-8050	18,437	85-03	2004 CHEVY 1500 PICKUP	18,935
009-7085-533-8050	35,375	85-37	2005 FORD F350 W/UTILITY BODY	34,960
<b>Total:</b>	<b>53,811</b>			<b>53,895</b>
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<b>Total:</b>	<b>35,375</b>			<b>34,960</b>
<b>Total Motor Pool*:</b>	<b>1,629,349</b>		<b>Total Purchase Costs</b>	<b>1,523,012</b>
<b>Original Budget Total:</b>	<b>1,667,337</b>		<b>Remaining Balance</b>	<b>144,325</b>

Funded amount as of 09/30/2015

\*replacement of one sedan "53-10" Patrol car was deferred to future year.

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: March 14, 2016 Appropriation  
Requested By: Eric Ensey Source of Funds: N/A  
Department: Planning & Development Account Number:  
Report:  Resolution:  Ordinance:  Amount Budgeted:  
Other:  Amount Requested:  
Budgeted Item:  YES  NO

### Attachments :

1. Ordinance
2. P&Z Recommendation Letter
3. Existing vs. Proposed Future Land Use Map

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### SUMMARY & RECOMMENDATIONS

NOTE: This item originally appeared on the February 22, 2016 City Council meeting, but was postponed until March 14, 2016.

This item is a request for consideration to amend the city's Future Land Use Plan (FLUP) in conjunction with zone change request #15-92000004 by Warwick Homes Inc. to rezone Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 33 Treat Plant Site, Abstract 482, William Jones Survey from Neighborhood Commercial (NC) to General Commercial (GC). The city's FLUP is an element of the Comprehensive Plan. The city may elect, from time to time, to amend the FLUP following public hearing by the City Council.

The city's Future Land Use Plan (FLUP) identifies the subject property as "Neighborhood Commercial" land use. In order to accommodate the proposed zone change request, the FLUP would need to be amended to allow for "Commercial" use.

The Planning and Zoning Commission reviewed this request at the January 21, 2016, meeting and voted to recommend approval of the proposed modifications to the Future Land Use Plan.

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### Action Required of Council:

1. Conduct public hearing.
  2. Consider approval or other action on a recommendation by the Planning and Zoning Commission to approve an Ordinance amending the City's Future Land Use Plan for a 3.9 acre tract located north of Fairmont Parkway near Willmond Rd., described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 33 Treat Plant Site, Abstract 482, William Jones Survey from "Neighborhood Commercial" use to "Commercial" use.
-

**Approved for City Council Agenda**

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**Corby D. Alexander, City Manager**

---

**Date**

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE ADOPTING AN UPDATE TO THE FUTURE LAND USE MAP COMPONENT OF THE COMPREHENSIVE PLAN OF THE CITY OF LA PORTE, TEXAS UPON RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION OF THE CITY OF LA PORTE, TEXAS; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF.**

WHEREAS, Section 211.004 of the Texas Local Government Code provides that zoning regulations must be adopted in accordance with a Comprehensive Plan;

WHEREAS, Section 213.003 of the Texas Local Government Code provides that a municipality may amend a Comprehensive Plan by ordinance, after public hearing and review by the municipality's planning commission or department; and

WHEREAS, Section 213.003 of the Texas Local Government Code also provides that a municipality may establish, in its charter or by ordinance, procedures for adopting and amending a Comprehensive Plan; and

WHEREAS, Chapter 106, "Zoning" Article I, Section 106-3, and Article II, Section 106-65 of the Code of Ordinances of the City of La Porte, delegates to the Planning and Zoning Commission the duty to review and make recommendations relevant to modifications of the Comprehensive Plan and Zoning Ordinance; and

WHEREAS, the City of La Porte has a Comprehensive Plan, which Plan was adopted by the City Council of the City of La Porte, Texas in 1986, and has been the subject of subsequent amendments and revisions since its adoption; and

WHEREAS, pursuant to mandate of Chapter 106, "Zoning" of the Code of Ordinances of the City of La Porte, the Planning and Zoning Commission of the City of La Porte has reviewed all elements of the Comprehensive Plan, and as duly approved by the City Council of the City of La Porte, to consider possible amendments thereto; and

WHEREAS, at the La Porte Planning and Zoning Commission meeting which occurred on January 21, 2016, the La Porte Planning and Zoning Commission reviewed the Future Land Use Map component of the Comprehensive Plan for the purpose of considering a proposed amendment to change the designation for an approximately 3.9 acre tract of land located on the north side of Fairmont Parkway between Big Island Slough and Willmont Road, and more particularly described as 1) Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision, and 2) Tract 33 Treat Plant Site, Abstract 482, William Jones Survey, from "Neighborhood Commercial" classification, to "Commercial" classification, and voted to recommend to the La Porte City Council such amendment to the Future Land Use Map component of the Comprehensive Plan be approved;

NOW, THEREFORE, BE IT RESOLVED BY

THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS, THAT:

Section 1 That an amendment to the Future Land Use Map component of the Comprehensive Plan of the City of La Porte, Texas, which is incorporated to this ordinance by reference herein and attached hereto as Exhibit A, be and is hereby authorized, approved, and adopted by the City Council of the City of La Porte, Texas, after duly noticed public hearing opened at its February 22, 2016 meeting, and continued to and completed during its March 14, 2016 meeting, in accordance with the recommendation of the Planning and Zoning Commission of the City of La Porte, Texas.

Section 2 The City Secretary of the City of La Porte or her designated representative shall be required to make this amendment to the Comprehensive Plan available to the public and duly mark and note the updated reference on the Future Land Use Plan component of the Comprehensive Plan of the City of La Porte, Texas.

Section 3 The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject to this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted

upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 4 This Ordinance shall be in effect from and after its passage and approval. Passed and approved this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF LA PORTE, TEXAS

By: \_\_\_\_\_  
Louis R. Rigby, Mayor

ATTEST:

By: \_\_\_\_\_  
Patrice Fogarty, City Secretary

APPROVED:

By: Clark T. Askins  
Clark Askins, Assistant City Attorney



February 3, 2016

Honorable Mayor Rigby and City Council  
City of La Porte

RE: Amendment to the City's Future Land Use Plan

Dear Mayor Rigby and City Council:

On January 21, 2016, the La Porte Planning and Zoning Commission reviewed a request for a proposed amendment to the city's Future Land Use Plan. The proposed amendment includes revising the land use designation for a 3.4 acre tract of land legally described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision, City of La Porte, Harris County, Texas; and a 0.5 acre tract of land legally described as Tract 33 Treat Plant Site, Abstract 482, William Jones Survey, City of La Porte, Harris County, Texas. The proposed Future Land Use Plan Amendment would change the land use of the site from "Neighborhood Commercial" use to "Commercial" use. This request is in conjunction with case #15-92000004, which is a request by Warwick Homes to rezone the subject property from Neighborhood Commercial (NC) to General Commercial (GC).

The Commission voted unanimously to recommend approval of the proposed amendment to the city's Future Land Use Plan.

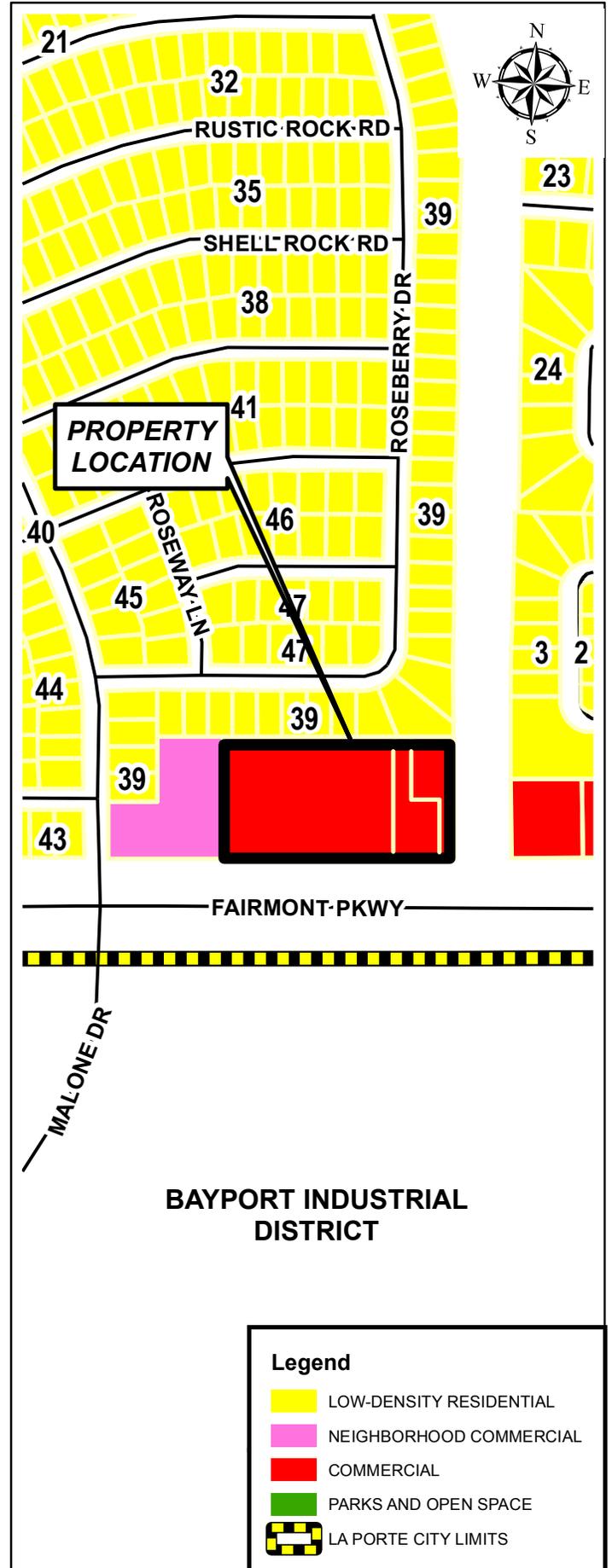
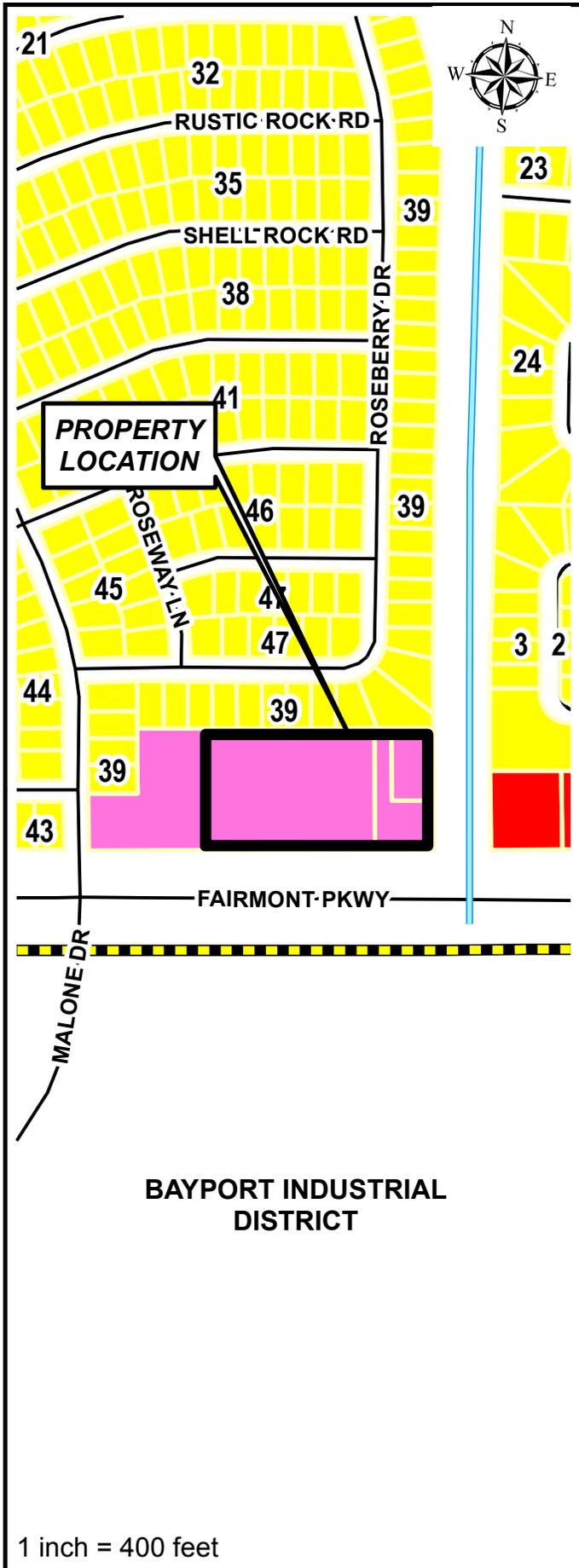
Respectfully submitted,

Hal Lawler  
Chairman, Planning and Zoning Commission

cc: Tim Tietjens, Director of Planning and Development  
Department File

# EXISTING FUTURE LAND USE

# PROPOSED FUTURE LAND USE



## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: March 14, 2016 Appropriation  
Requested By: Eric Ensey Source of Funds: N/A  
Department: Planning & Development Account Number:  
Report:  Resolution:  Ordinance:  Amount Budgeted:  
Other:  Amount Requested:  
Budgeted Item:  YES  NO

### Attachments :

1. Ordinance
2. P&Z Recommendation Letter
3. Applicant Information and Request
4. Neighborhood Response Letters
5. Land Use Map
6. Zoning Map

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### SUMMARY & RECOMMENDATIONS

**NOTE: This item originally appeared on the February 22, 2016 Council meeting, but was postponed until the next meeting, March 14, 2016.**

The applicant in this case is Warwick Homes Inc. and by extension, the City of La Porte. Warwick Homes owns approximately 3.4 acres of undeveloped land legally described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision, and initiated this zone change request. The City of La Porte owns a lift station tract adjacent to the Warwick site that is approximately 0.5 acres in size and is legally known as Tract 3 Treat Plant Site, Abstract 482, William Jones Survey. The subject sites are located on the north side of Fairmont Parkway between Big Island Slough and Willmont Road. The Warwick site is vacant and undeveloped and the City of La Porte site contains a sanitary sewer lift station, which will remain. The request is for consideration of a zone change request from Neighborhood Commercial (NC) to General Commercial (GC) for both sites.

The Planning and Zoning Commission conducted a public hearing at the January 21, 2016, meeting concerning this request. There were a total of five responses received from surrounding property owners, four in opposition and one in support. Additionally, residents from the surrounding Fairmont Park West Subdivision to the north of the proposed zone change spoke at the meeting and expressed some concern for the zone change. After conducting a public hearing on the matter, the Commission voted to recommend approval of the proposed zone change.

As currently zoned, the subject site could develop with commercial uses allowed in the NC zone district. The applicant has indicated that they have had a difficult time selling the land as it is currently zoned. The NC district is the most restrictive commercial district in the city and is limited generally to less intense commercial uses such as retail and food establishments but not uses such as professional offices. If the zone change were to be approved, then those uses permitted in the GC district would be permitted on this site.

The proposed rezone would be consistent in terms of density with the surrounding commercial development on Fairmont Parkway and will provide a transition of uses from the industrial Bayport Industrial District on the south side of Fairmont Parkway to the adjacent residential subdivision to the

north. As with all other commercial development adjacent to residential development, screening will be required in conformance with applicable code provisions.

While this request is to change allowable land use from NC to GC, much of the public comment at the Planning and Zoning Commission meeting focused on a drainage issue in the area caused by some fill dirt added to the Warwick site. Staff acknowledges the drainage issue and is working with the property owner to cause remedy to the situation. The applicant has indicated that the issue should be resolved by the date of the City Council meeting on this zone change request. Future development of the site will be required to comply with all applicable drainage requirements and will be reviewed at the time of site plan submittal.

The subject site is currently zoned Neighborhood Commercial (NC) and the City's adopted Future Land Use Map identifies it as Neighborhood Commercial use. The rezoning of the subject properties to GC requires an amendment to the city's Future Land Use Plan, which is also presented on this agenda.

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**Action Required of Council:**

1. Conduct public hearing.
  
2. Consider approval or other action on a recommendation by the Planning and Zoning Commission to approve an ordinance to approve zone change request #15-92000004, to rezone a 3.9 acre tract located north of Fairmont Pkwy. near Willmond Rd., described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision and Tract 3 Treat Plant Site, Abstract 482, William Jones Survey from Neighborhood Commercial (NC) to General Commercial (GC).

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**Approved for City Council Agenda**

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**Corby D. Alexander, City Manager**

---

**Date**

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 106 "ZONING" OF THE CODE OF ORDINANCES OF THE CITY OF LA PORTE BY CHANGING THE ZONING CLASSIFICATION FROM NEIGHBORHOOD COMMERCIAL (NC) TO GENERAL COMMERCIAL (GC), FOR AN APPROXIMATELY 3.9 ACRE TRACT OF LAND HEREIN DESCRIBED; MAKING CERTAIN FINDINGS OF FACT RELATED TO THE SUBJECT; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

**Section 1:** Chapter 106 "Zoning" of the Code of Ordinances is hereby amended by changing the zoning classification of the following described property, to wit: approximately 3.9 acres of land located on the north side of Fairmont Parkway between Big Island Slough and Willmont Road, and more particularly described as 1) Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision, and 2) Tract 33 Treat Plant Site, Abstract 482, William Jones Survey, from Neighborhood Commercial (NC), to General Commercial (GC).

**Section 2:** All ordinances or parts of ordinances inconsistent with the terms of this ordinance are hereby repealed; provided, however, that such repeal shall be only to the extent of such inconsistency and in all other respects this ordinance shall be cumulative of other ordinances regulating and governing the subject matter covered by this ordinance.

**Section 3.** Should any section or part of this ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance for any reasons thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

**Section 4.** The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council is posted at a place convenient to the public at the City Hall of the city for the time required by law preceding this meeting, as required by Chapter 551, Tx. Gov't Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

**Section 5.** The City Council of the City of La Porte hereby finds that public notice was properly mailed to all owners of all properties located within two hundred feet (200') of the properties under consideration in compliance with code provisions.

**Section 6:** It is directed that the official zoning map of the City of La Porte, Texas be changed to reflect the zoning classification established by this ordinance.

**Section 7.** The City Council of the City of La Porte hereby finds, determines, and declares that all prerequisites of law have been satisfied and hereby determines and declares that the amendments to the City of La Porte Zoning Map and Classification contained in this Ordinance as amendments thereto are desirable and in furtherance of the goals and objectives stated in the City of La Porte's Comprehensive Plan.

**Section 8.** This Ordinance shall be effective upon its passage and approval.

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF LA PORTE, TEXAS

By: \_\_\_\_\_  
Louis R. Rigby, Mayor

ATTEST:

\_\_\_\_\_  
Patrice Fogarty, City Secretary

APPROVED:

  
\_\_\_\_\_  
Clark T. Askins, Assistant City Attorney



February 3, 2016

Honorable Mayor Rigby and City Council  
City of La Porte

RE: Rezone Request #15-92000004

Dear Mayor Rigby and City Council:

The La Porte Planning and Zoning Commission held a public hearing at the January 21, 2016 meeting on a zone change request by Warwick Homes to rezone a 3.4 acre tract of land legally described as Reserve B and C, Block 1, Willmont Commercial Park Amended Subdivision, City of La Porte, Harris County, Texas; along with a 0.5 acre tract of land owned by the City of La Porte legally described as Tract 33 Treat Plant Site, Abstract 482, William Jones Survey, City of La Porte, Harris County, Texas. The request was for approval of a zone change from NC, Neighborhood Commercial, to GC, General Commercial.

The Commission unanimously voted to recommend approval of the proposed rezone.

Respectfully submitted,

Hal Lawler  
Chairman, Planning and Zoning Commission

cc: Tim Tietjens, Director of Planning and Development  
Department File

# ZONE CHANGE PERMIT APPLICATION

## 1. PROPERTY OWNER CONTACT INFORMATION:

OWNER'S NAME: Warwick Homes, Inc. PHONE 1: 713 385-1902  
PHONE 2: \_\_\_\_\_ FAX #: \_\_\_\_\_  
E-MAIL: tomchouston@aol.com  
MAILING ADDRESS: 4620 N. Braeswood Blvd. #459, Houston, Texas 77096

## 2. AGENT REPRESENTING PROPERTY OWNER (If Applicable):

AGENT / CONTRACTOR COMPANY: \_\_\_\_\_  
PHONE 1: \_\_\_\_\_ PHONE 2: \_\_\_\_\_  
E-MAIL: \_\_\_\_\_ FAX #: \_\_\_\_\_  
MAILING ADDRESS: \_\_\_\_\_  
CONTACT PERSON'S NAME: \_\_\_\_\_ PHONE: \_\_\_\_\_

## 3. PROPERTY DESCRIPTION:

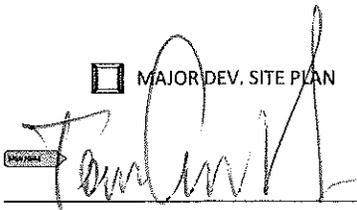
HCAD PARCEL NO(s) 13-digit Tax ID(s):  
1.) Res B Block 1 1311750010002  
2.) \_\_\_\_\_  
3.) \_\_\_\_\_  
PROPERTY ADDRESS (if existing): RES C - Block 1 / 1311 7500 10003  
PROPERTY LEGAL DESCRIPTION: \_\_\_\_\_

## 4. ZONING INFORMATION OF PROPERTY:

CURRENT ZONING DESIGNATION: NC REQUESTED ZONING DESIGNATION: General Commercial  
CURRENT SIC/NAICS USE NO.: \_\_\_\_\_ PROPOSED USAGE: \_\_\_\_\_

## 5. APPLICATION CHECKLIST & SUPPORTING DOCUMENTATION (Check applicable boxes):

- COMPLETE ITEMS 1-5 OF PERMIT APPLICATION
- ATTACH CERTIFIED PLAN [check applicable box(es)]:
  - GENERAL PLAN
  - MINOR DEV. SITE PLAN
  - MAJOR DEV. SITE PLAN
  - PRELIM. PLAT
- SUBMIT NON-REFUNDABLE \$300.00 APPLICATION FEE

PRINTED NAME: Tom Cauthen SIGNATURE:  DATE: Dec. 14, 2015

### (STAFF USE ONLY):

APPLICATION NO: \_\_\_\_\_

DATE OF P&Z PUBLIC HEARING: \_\_\_\_\_ RECOMMENDATION:  YES  NO  
APPLICANT & ADJACENT OWNERS NOTIFIED:  YES  NO DATE OF NOTIFICATION: \_\_\_\_\_  
DATE OF CITY COUNCIL AGENDA: \_\_\_\_\_ APPROVED:  YES  NO  
ADOPTED BY ORDINANCE NO.: \_\_\_\_\_

COMMENTS: \_\_\_\_\_

RECEIVED  
JAN 15 2016  
BY: *PL*

A Meeting of the La Porte

Planning & Zoning Commission  
(Type of Meeting)

Scheduled for

January 21, 2016  
(Date of Meeting)

to Consider

Zone Change Request #15-9200004  
(Type of Request)

I have received notice of the above referenced public hearing.

I am in FAVOR of granting this request for the following reasons:

*I think it will bring in more businesses to the area.*

I am OPPOSED to granting this request for the following reasons:

Monica L. Rogers  
Name (please print)  
*Monica L. Rogers*  
Signature

10105 Fairmont  
Address  
LaPorte, IN 47505  
City, State, Zip

A Meeting of the La Porte

Planning & Zoning Commission  
(Type of Meeting)

Scheduled for

January 21, 2016  
(Date of Meeting)

to Consider

Zone Change Request #15-92000004  
(Type of Request)

I have received notice of the above referenced public hearing.

I am in FAVOR of granting this request for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

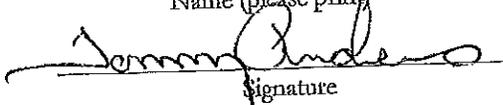
I am OPPOSED to granting this request for the following reasons:

SAFETY & PRIVACY CONCERNS  
NEIGHBORHOOD PROPERTY VALUES DECREASE - IMPACT STUDY  
INCREASE IN TRAFFIC - FAIRMONT PKWY & NEIGHBORHOOD  
FLOOD CONCERNS AS OUR AREA STILL GETS HIGH WATER  
EVEN W/NEW DRAINAGE PUT IN

TOMMY & SHEERIE ANDREWS      10122 ROSEBERRY DR

Name (please print)

Address



Signature

LAPORTE, TX 77571

City, State, Zip

Shenie Andrews

A Meeting of the La Porte

Planning & Zoning Commission

(Type of Meeting)

Scheduled for

January 21, 2016

(Date of Meeting)

to Consider

Zone Change Request #15-92000004

(Type of Request)

I have received notice of the above referenced public hearing.

I am in FAVOR of granting this request for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I am OPPOSED to granting this request for the following reasons:

NEIGHBORHOOD PROPERTY VALUES WILL DECREASE - IMPACT STUDY  
SAFETY AND PRIVACY CONCERNS  
INCREASE IN TRAFFIC THRU OUR NEIGHBORHOOD AND ON  
FARMONT PARKWAY

Ruby Jo Carlisle 10106 Rosebery  
Name (please print) Address

Ruby Jo Carlisle La Porte Texas 77571  
Signature City, State, Zip

A Meeting of the La Porte

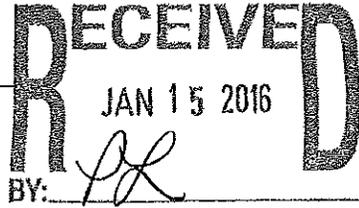
Planning & Zoning Commission  
(Type of Meeting)

Scheduled for

January 21, 2016  
(Date of Meeting)

to Consider

Zone Change Request #15-92000004  
(Type of Request)



I have received notice of the above referenced public hearing.

I am in FAVOR of granting this request for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I am OPPOSED to granting this request for the following reasons:

*Traffic is bad enough on Fairmont and gas  
stations on every corner.*

\_\_\_\_\_  
\_\_\_\_\_

MARY ANDERSON  
Name (please print)

Mary Anderson  
Signature

10119 Roadway  
Address

La Porte, Texas 77571  
City, State, Zip

A Meeting of the La Porte

Planning & Zoning Commission  
(Type of Meeting)

Scheduled for

January 21, 2016  
(Date of Meeting)

to Consider

Zone Change Request #15-92000004  
(Type of Request)

**RECEIVED**  
JAN 15 2016  
BY: *[Signature]*

I have received notice of the above referenced public hearing.

I am in **FAVOR** of granting this request for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I am **OPPOSED** to granting this request for the following reasons:

*Traffic is bad enough and gas stations*  
*on every corner.*  
\_\_\_\_\_  
\_\_\_\_\_

Vickie Achord  
Name (please print)

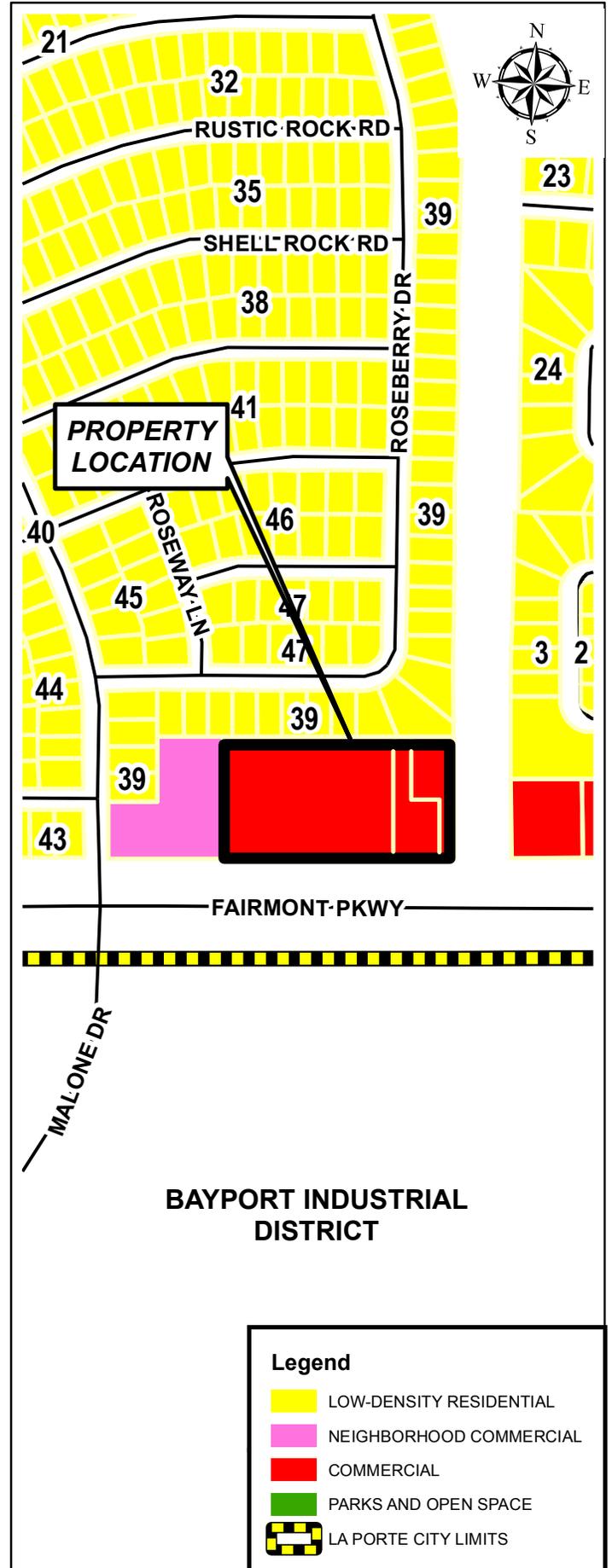
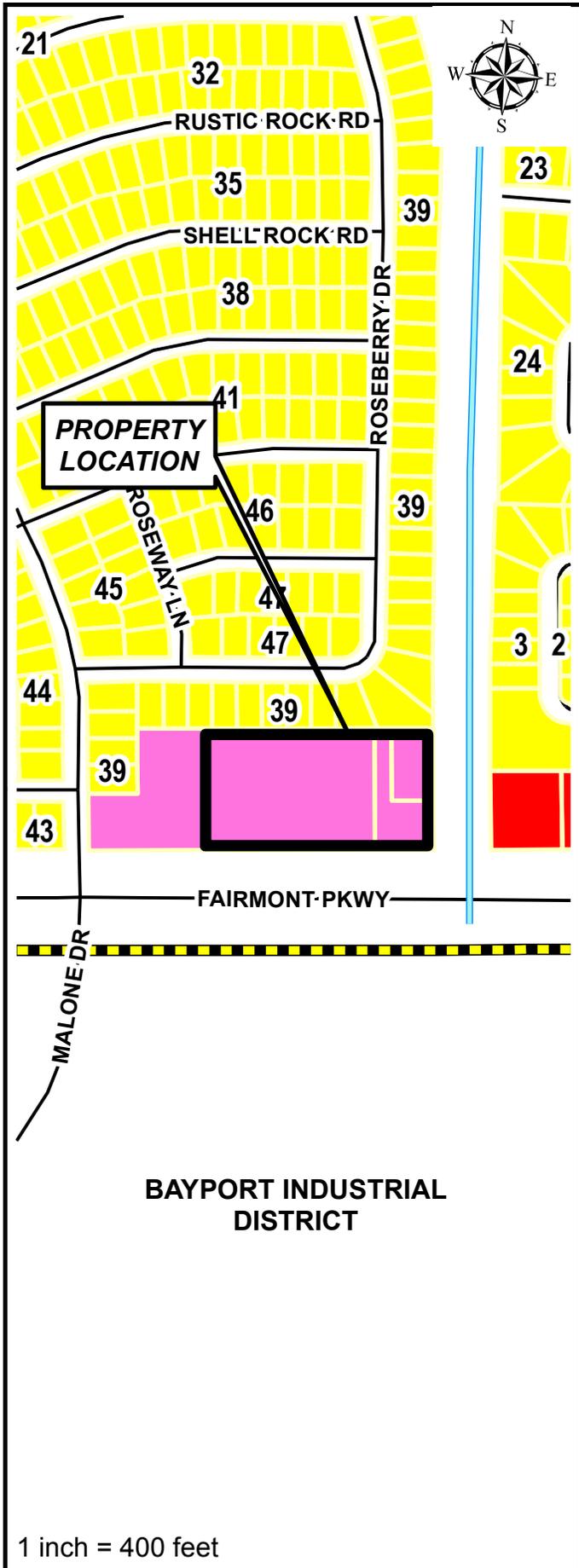
Vickie Achord  
Signature

10115 Rosebery  
Address

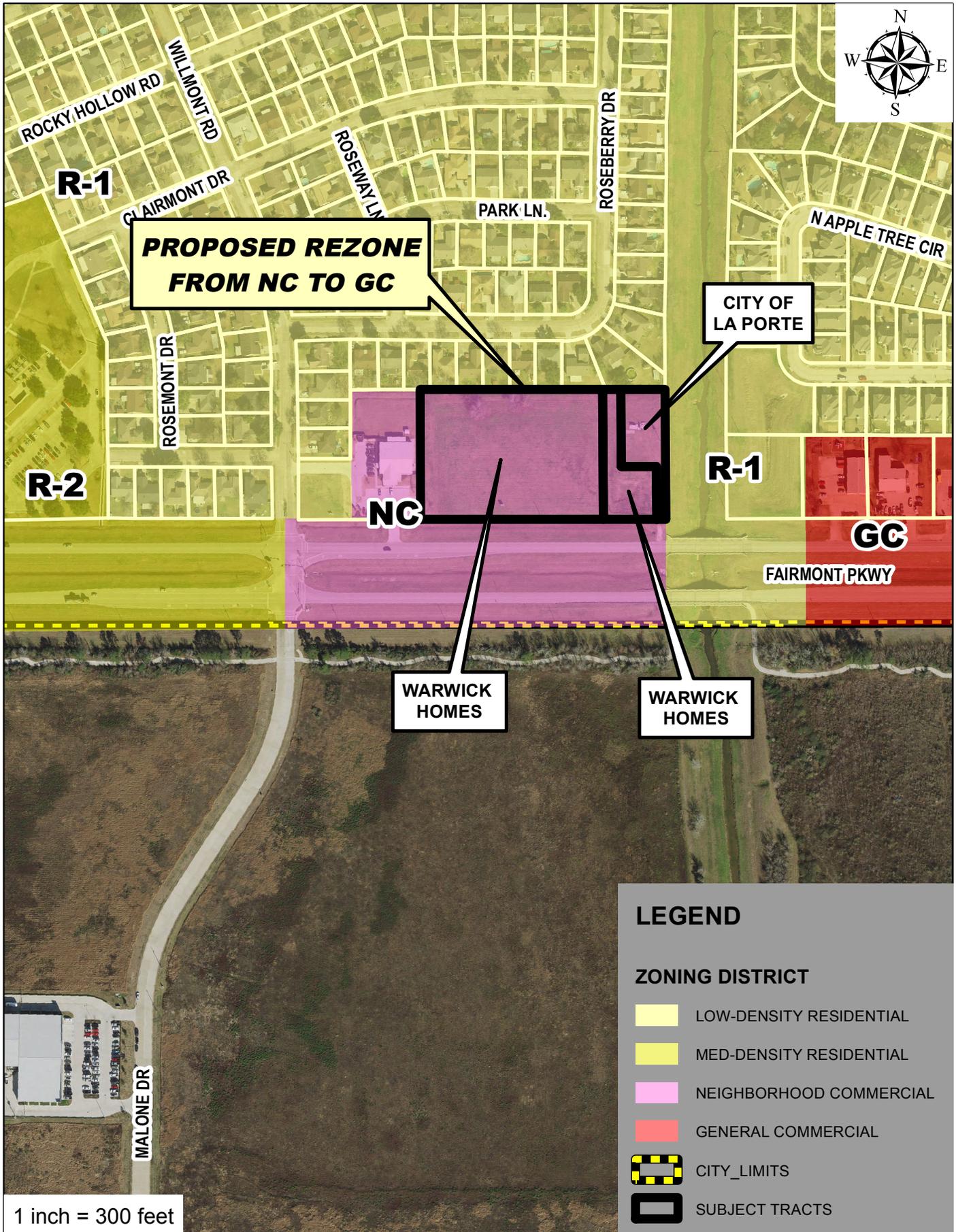
La Porte, Texas 77571  
City, State, Zip

# EXISTING FUTURE LAND USE

# PROPOSED FUTURE LAND USE



# ZONING AREA MAP



## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: March 14, 2016 Appropriation  
Requested By: Rosalyn Epting Source of Funds: General Fund  
Department: Parks & Recreation Account Number: 001.8081.551.5007  
Report:  Resolution:  Ordinance:  Amount Budgeted: \$285,750.00  
Other:  Amount Requested:  
**Attachments :** Budgeted Item:  YES  NO

### 1. Lifeguard Services Bid Tabulation

---

#### SUMMARY & RECOMMENDATIONS

During the January 25, 2016 City Council Meeting, staff were directed to contract with Pool Management Incorporated (PMI) for pool operations for the summer 2016 with a cost of \$285,750. Staff would like to update Council on what has happened since that meeting.

Staff began working on the contract with PMI at that time. PMI had multiple requests and questions regarding the contract. The final two issues left to resolve were:

1. Advance payment of 15% upon execution of the contract and another 10% due on June 1.
2. They will invoice us every 2 weeks, and they are expecting payment due in net 10 days.

After much discussion, PMI was told that the City would not be able to give them advance payment unless they secured a performance bond. The City offered to pay invoices via p-card which would have allowed PMI to receive payments within 48 to 72 hours. PMI was apparently not able or unwilling to take P-card payments. At that point PMI pulled their bid from consideration.

In looking at the attached bid tabulation summary, the next bidder was USA Management with \$322,886.60. USA Management stated that they would still honor their bid, however they would require an advanced payment of 10%. They also stated that they would be willing to obtain a performance bond, however that cost would be added to the contract for us to pay. Although this sounds promising, we have had an unfavorable reference on them from another city in the Houston area.

Aquatic Management was the third bidder with \$349,172. In looking at their scoring, they were scored way lower than the other two bidders. The reasoning for this is because they did not provide any references nor did they demonstrate the ability to meet the specifications. Staff is not comfortable with this company at this time.

Staff have already begun to post aquatic positions so that pool operations can be run in house, if needed. Please note that we've not hired anyone but wanted to get started posting the needed positions in case Council's direction is to manage the pool in house this year.

---

**Action Required of Council:**

1. Consider approval or other action of a contract with USA Management and include an additional increase of \$37,136.60 from the previously approved increase of \$55,750 (total budget increase of \$92,886.60 from original in house pool operations budget of \$230,000) ; or
2. Direct staff to continue the recruitment process for lifeguard services to be managed in house.

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**Approved for City Council Agenda**

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**Corby D. Alexander, City Manager**

---

**Date**

**Final Evaluation Summary for RFP #16503 Lifeguards**

Criteria	Weight	Aquatic Management			PMI			USA Management		
		A	B	C	A	B	C	A	B	C
Qualifications & Experience	40%	0.8	2.4	2	3.6	2.4	3.2	3.2	3.2	3.2
Ability to meet specifications	20%	0	0.2	0	1.8	1.4	1.6	1.4	1.8	1.2
References	20%	0	0	0	1.8	1.2	1.6	1.4	1.6	1.6
<b>Sub Total (before Cost)</b>			<b>2.6</b>	<b>2</b>	<b>7.2</b>	<b>5</b>	<b>6.4</b>	<b>6</b>	<b>6.6</b>	<b>6</b>
Cost	20%	1.64	1.64	1.64	2	2	2	1.78	1.78	1.78

**FINAL Results (including cost)**

<b>1.64</b>	<b>4.24</b>	<b>3.64</b>	<b>9.2</b>	<b>7</b>	<b>8.4</b>	<b>7.78</b>	<b>8.38</b>	<b>7.78</b>
<b>9.52</b>			<b>24.6</b>			<b>23.94</b>		

<b>\$349,172.00</b>	<b>\$285,750.00</b>	<b>\$322,886.60</b>
---------------------	---------------------	---------------------

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: March 14, 2016

Appropriation

Requested By: Traci E. Leach

Source of Funds:

Department: Administration

Account Number:

Report:  Resolution:  Ordinance:

Amount Budgeted:

Other:

Amount Requested:

Budgeted Item:  YES  NO

**Attachments :**

---

### SUMMARY & RECOMMENDATIONS

At the February 22, 2016, the City Council discussed plans for the upcoming 125<sup>th</sup> Anniversary Celebration. One of the components that is to be included in the process is a planning committee. The committee can assist staff in identifying events that will be of interest to the community. As staff was discussing the specifics and logistics of the committee, it would be helpful to obtain Council direction/input on several additional policy questions that tie together with the concept of the committee.

The issues for discussion include:

- Overall Scope of the Anniversary Celebrations: This is perhaps one of the most important philosophical decisions related to the event, as the scale will determine what type of resources will ultimately be necessary to plan, staff, and work the event(s). During previous discussions, it has been discussed that there could be several smaller scale events leading up to a large-scale weekend concert event to commemorate the City's anniversary. Under this scenario, there would certainly be more opportunities for a committee to provide both input and assist in logistics of planning the event. However, should the City's scope/responsibility be narrowed to include just a single large scale event and then have a more grass-roots, community driven effort to host small events throughout the year, perhaps a committee for the purposes of planning component pieces of the event is not as necessary. Under any scenario, staff believes that it is important to obtain community input regarding the types of events and activities the community would like to see. Whether that is in the form of a formal committee or a more informal method, such as via social media, this is certainly an aspect of the planning that is critical to help plan a budget for the celebration.
- Scope of Committee Responsibilities: Previous anniversaries had a fairly robust volunteer effort with community members chairing and presumably organizing various facets of the celebrations. There's some components of the event that the City will handle by default, such as the purchase of all products, services; equipment and public safety requirements and deployment; logistics for other equipment necessary for planning an event (ie- barricades, portable restrooms, lighting, etc). As stated in the first bullet above, the scope and reach of the committee will depend on how "big" the vision is for the anniversary celebration.
- What is Our Primary Purpose (Who are we Trying to Reach?): Is the purpose of the anniversary

celebration more to focus on hosting events for La Porte residents or are events intended to be larger in reach and more regional in nature? Traditionally, cost recovery has not been a primary consideration during the planning of special events. The philosophy behind this approach is that all City events should be accessible to any La Porte resident that would like to attend. If the primary focus of the event(s) is to host for primarily La Porte residents, staff would continue forward using the current philosophy of no-cost events for all. If the primary focus of events is to generate interest in La Porte from visitors outside the City, it would be useful to discuss Council's desire regarding gate fees, sponsorship efforts, and overall expectations on cost recovery. As was evident during the Jake concert event, the mechanics for a dual cost structure can be more difficult to both market and implement. Staff can make just about any configuration work; the philosophy just needs to be set now so logistics can be planned.

At this time, staff is prepared to take direction from the Council regarding these issues and begin moving forward based on that feedback.

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**Action Required of Council:**

Provide input/direction regarding preferred approach to the 125<sup>th</sup> Anniversary Celebration.

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**Approved for City Council Agenda**

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**Corby D. Alexander, City Manager**

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**Date**

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: March 14, 2016 Appropriation  
Requested By: Scott D. Livingston Source of Funds: N/A  
Department: Economic Account Number:  
Development/Tourism Amount Budgeted:  
Report:  Resolution:  Ordinance:  Amount Requested:  
Other:  Budgeted Item:  YES  NO

### Attachments :

#### 1. Economic Alliance 2015 Annual Report

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### SUMMARY & RECOMMENDATIONS

Chad Burke, President/CEO of the Houston Port Region Economic Alliance will be prepared to present and discuss the Economic Alliance's 2015 Annual Report.

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### Action Required of Council:

None

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### Approved for City Council Agenda

Corby D. Alexander, City Manager

Date



# City of La Porte Annual Report

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Presented March 14, 2016



# Social Media



**Economic Alliance: @EconAlliance**

twitter 

**Traci Koenig: @tlynkoe**

 Like

**Linked in**



# About the Economic Alliance

The Economic Alliance Houston Port Region  
exists to market and grow a vibrant regional economy

# Representation

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**Harris County**

**Port of Houston Authority**

**City of Baytown**

**City of Deer Park**

**City of Galena Park**

**City of Houston**

**City of Jacinto City**

**City of La Porte**

**City of Morgan's Point**

**City of Pasadena**

**City of Pearland**

**City of Seabrook**

**City of Shoreacres**

**City of South Houston**

**Community of Channelview**

**Community of East End**

**Community of North Shore**

**Community of Sheldon**

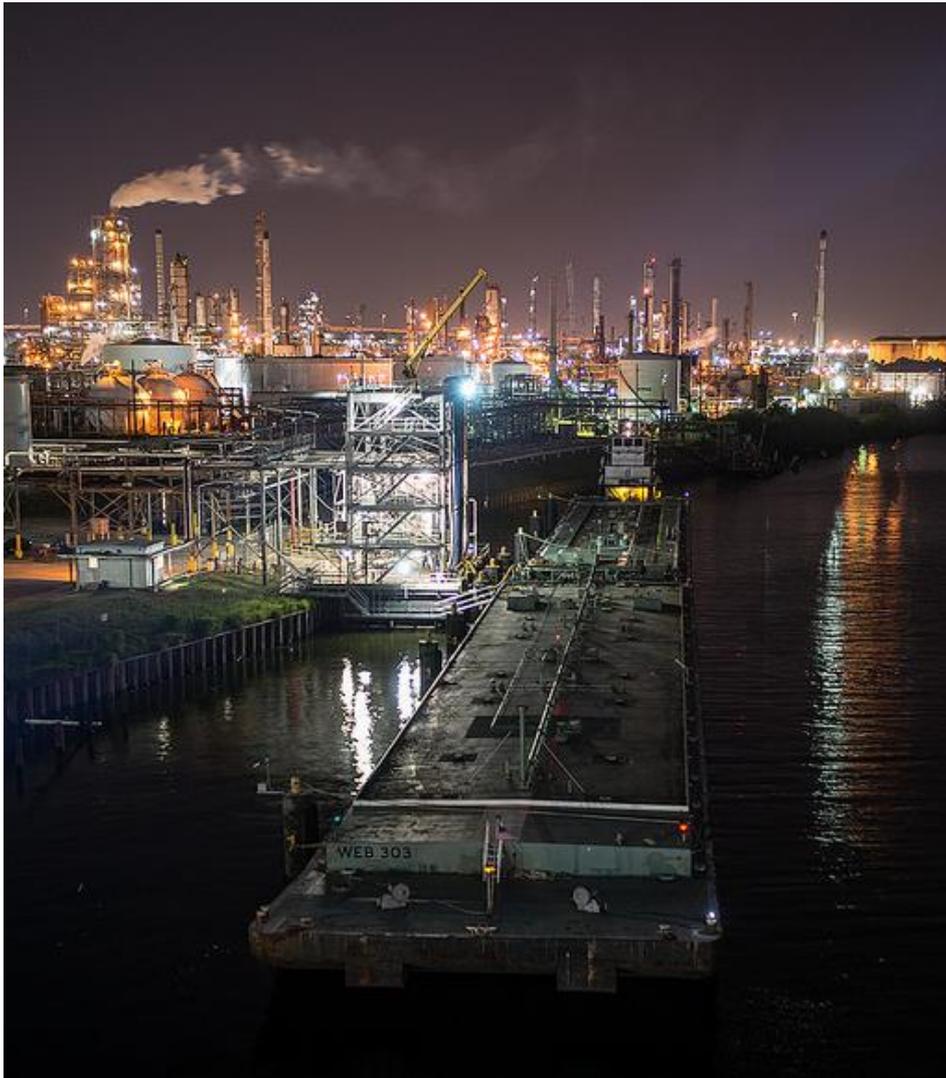
**Community of South Belt – Ellington**

**And 250 members of private industry  
along the Houston Ship Channel**

# Regional Partnership



# Regional Significance



- ❖ Largest Petrochemical complex in the US.
- ❖ #2 Total tonnage Port in the US.
- ❖ #1 Container Port on the Gulf Coast (95% mkt share).
- ❖ 1,026,820 jobs in the state of TX related to Houston Ship Channel activity.
- ❖ \$178.5 billion of total economic activity in TX attributed to Houston Ship Channel region.

# Economic Alliance Initiatives

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- ❖ Economic Development Task Force
- ❖ Transportation Task Force
- ❖ Public Policy Task Force
- ❖ Workforce Development Task Force
- ❖ Gulf Coast Outlook Conference
- ❖ Business Growth Task Force
- ❖ Quality of Life Task Force



# Economic Development

The Economic Alliance Houston Port Region  
exists to market and grow a vibrant regional economy

# 2015 INVESTMENT SUMMARY

## Regional Capital Investment\*



4 Projects Supported by the Economic Alliance



\$427 Million in Regional Capital Investment

## Capital Investment by Jurisdiction\*

### TEXAS HOUSE OF REPRESENTATIVES

District 128 – \$137 Million

District 129 – \$110 Million

### TEXAS SENATE

District 6 – \$137 Million

District 11 – \$110 Million

### HARRIS COUNTY PRECINCT 2

\$427 Million

\* Current at time of publication in November 2015



The Economic Alliance Houston Port Region is a non-profit organization created in 1985 whose mission is to grow and market a vibrant regional economy through economic development, public policy, workforce development, and quality of life initiatives.

Membership of the organization consists of 12 cities, the Port of Houston Authority, Harris County, and 250 private industries with business in the vicinity of the 25-mile Houston Ship Channel. The Houston Ship Channel is home to one of the world's most influential

energy corridors and trade ports in the world. Since 2008, the Economic Alliance has supported over 44 successful projects that have facilitated business activities creating over 5,400 new jobs and over \$5.9 billion of capital investment in the region.

## Our 5 Core Values

### OPPORTUNITY

We strive to promote the best quality of life possible for the people of our region.

### STEWARDSHIP

Financial responsibility, operational transparency.

### FREE-MARKET

The neutral promotion of healthy competition.

### COLLABORATION

Our strength is in our partnerships- industry, government, and educational.

## Job Investment\*

$$\begin{matrix} \text{OVER } 60 & + & \text{APPROX. } 420 & + & \text{APPROX. } 600 \\ \text{Direct Jobs} & & \text{Indirect Jobs} & & \text{Construction Jobs} \end{matrix} = \text{APPROX. } 1,080 \text{ Total Jobs}$$

## Activity Investment

- 3<sup>rd</sup> Annual trip to Washington D.C. to advocate for region's interests.
- Creation of "Dream It. Do it. Southeast Texas" - a 501(c)3 education foundation focused on marketing jobs in petrochemical, logistics, maritime and construction industries to students.
- Unprecedented attendance of over 700 at Gulf Coast Petrochemical Maritime Outlook Conference.
- Gave over 45 presentations on workforce development through our Speaker's Bureau.



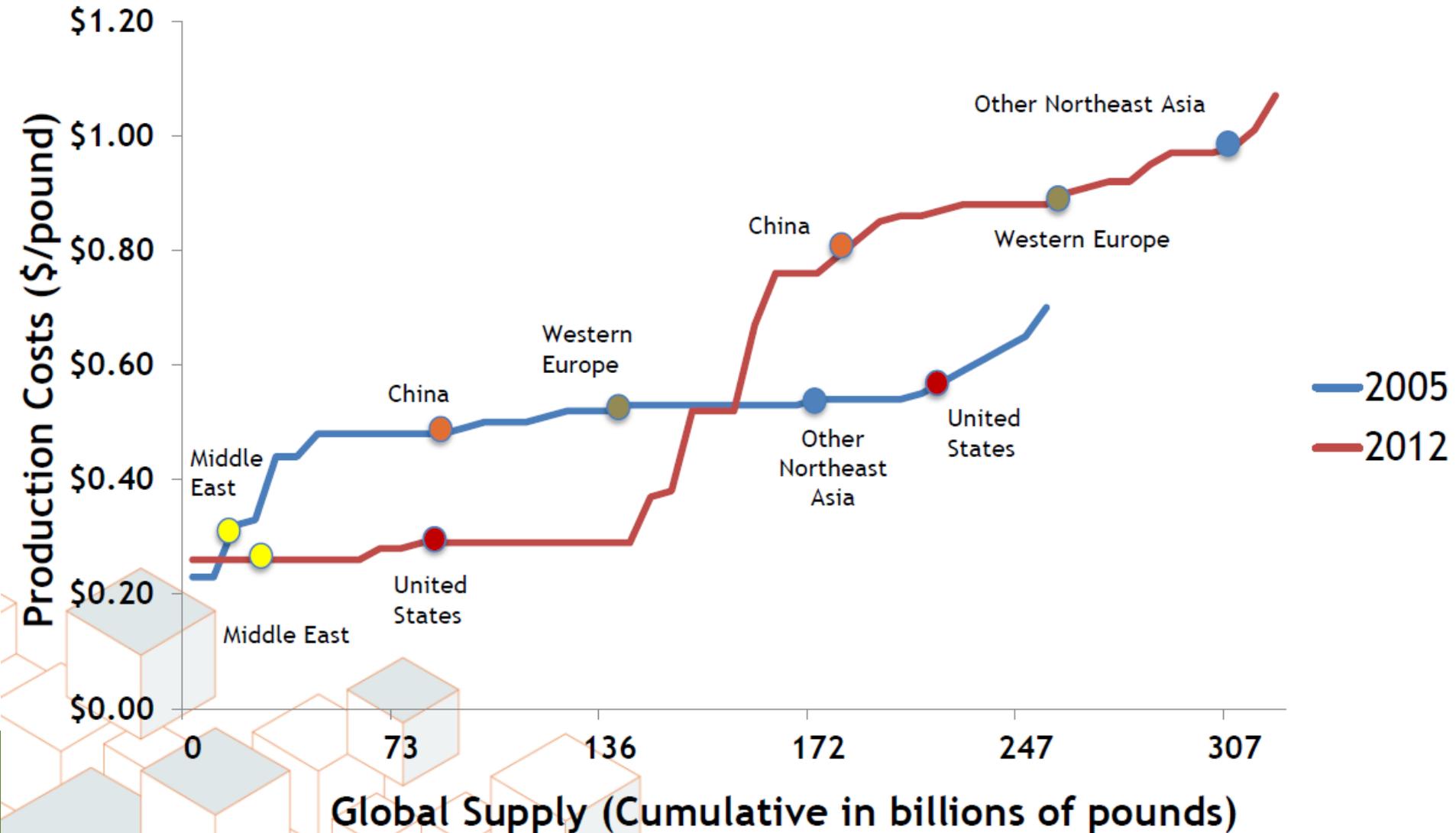
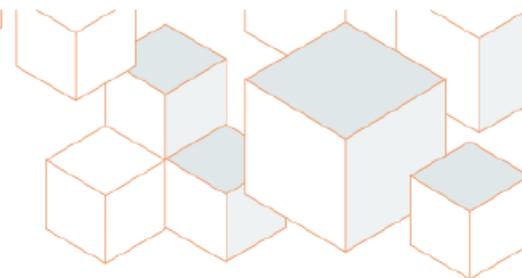
# Economic Development

Project Name	Target Industry	Communities	Est. Jobs	Capital Investment (\$1mm)	Lead/ Prospect/ Win
Siluria Technology	PetroChem	LP	3	\$17	WIN
Odfjell	Logistics	P	10	\$30	WIN
LBC Terminals	Logistics	P	20	\$110	WIN
LyondellBasell	PetroChem	LP	30	\$270	WIN
<b>2015 WINS</b>			<b>63</b>	<b>\$427</b>	

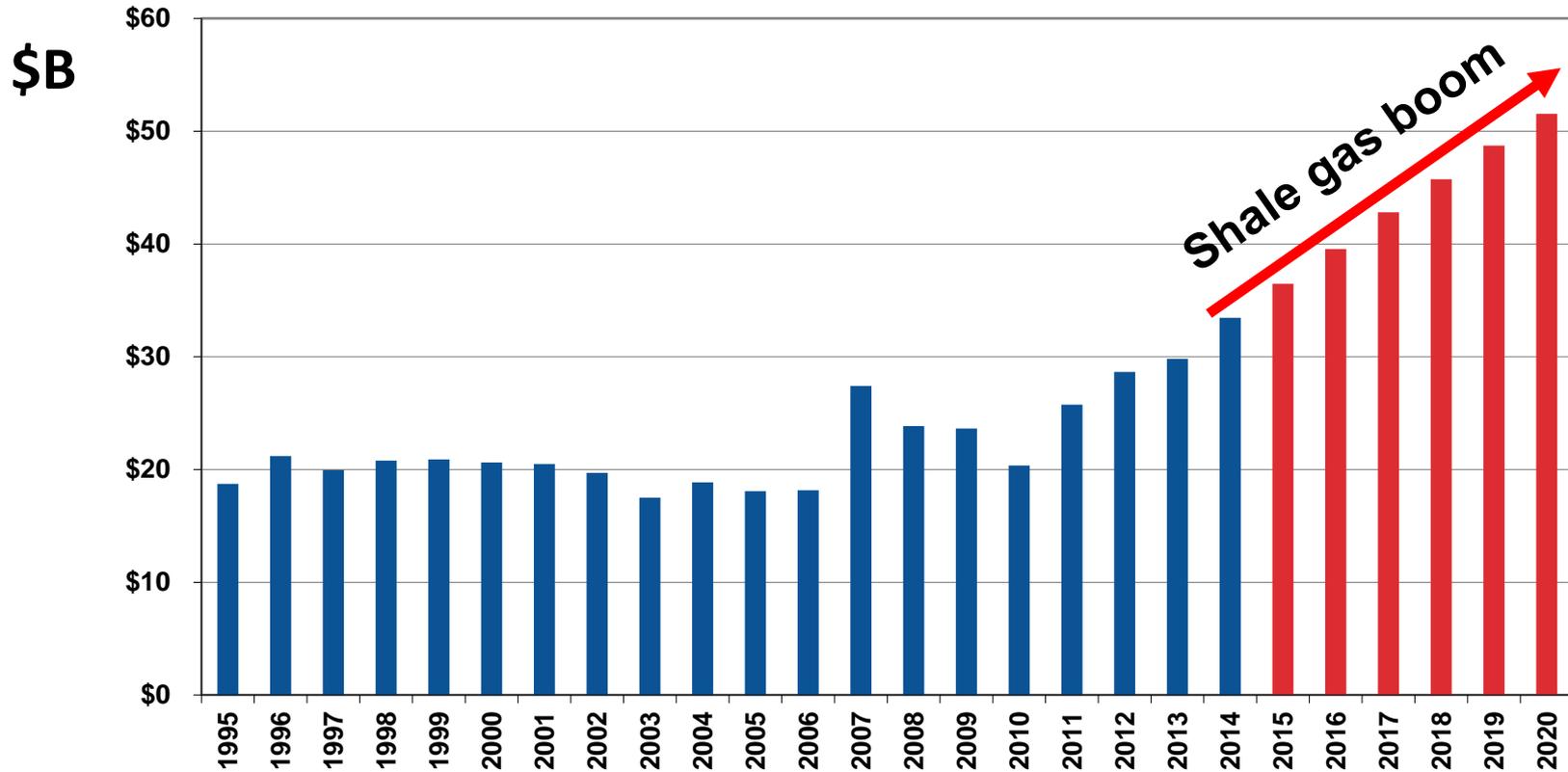
The Economic Alliance Houston Port Region exists to market and grow a vibrant regional economy

# Global Ethylene Supply Curve

(Petrochemical Production Costs by Country/Region)



# US Chemical Industry Capital Expenditures



SOURCE: American Chemistry Council

# Ethylene Projects Proposed or Under Construction In or Near Houston

Company	Scale (thousand m tons/yr)	Location	Completion
ChevronPhillips	1,500	Baytown	2017
ExxonMobil	1,500	Baytown	2017
Dow	1,500	Freeport	2017
Sasol	1,500	Lake Charles	DELAYED
Occidental	500	Ingleside	2017
Formosa Plastic	1,200	Point Comfort	2017
LyondellBasell	450	La Porte and Channelview	2016
Total S.A.	900	Port Arthur	Proposed

# Economic Alliance Prospective Projects



Project Name	Type	Industry	Territory	Cap Ex	Jobs
Project Rodney	Relocation	Logistics	Houston	\$2,000,000	25
Project Mag	Expansion	PetroChem	Pasadena	\$450,000,000	15
Project Xeta	New Development	Logistics	Pasadena	\$50,000,000	75
Project Polly	Expansion	PetroChem	Pasadena	--	--
Project Penn	Expansion	PetroChem	La Porte	\$350,000,000	25
			<b>Total:</b>	<b>\$852,000,000</b>	<b>140</b>



# Transportation Task Force

The Economic Alliance Houston Port Region  
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# Transportation Task Force

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*Mission: To identify projects that will improve regional transportation infrastructure in order to accommodate regional economic growth and to ensure efficient and safe movement of goods and people.*

- ❖ EHCMA
- ❖ Port of Houston Authority
- ❖ Harris County – Judge Emmett’s office
- ❖ Precinct 2 – Commissioner Morman
- ❖ Rail: PTRA, Union Pacific, BNSF
- ❖ Regional Mayors
- ❖ BayTran

# Transportation Challenges

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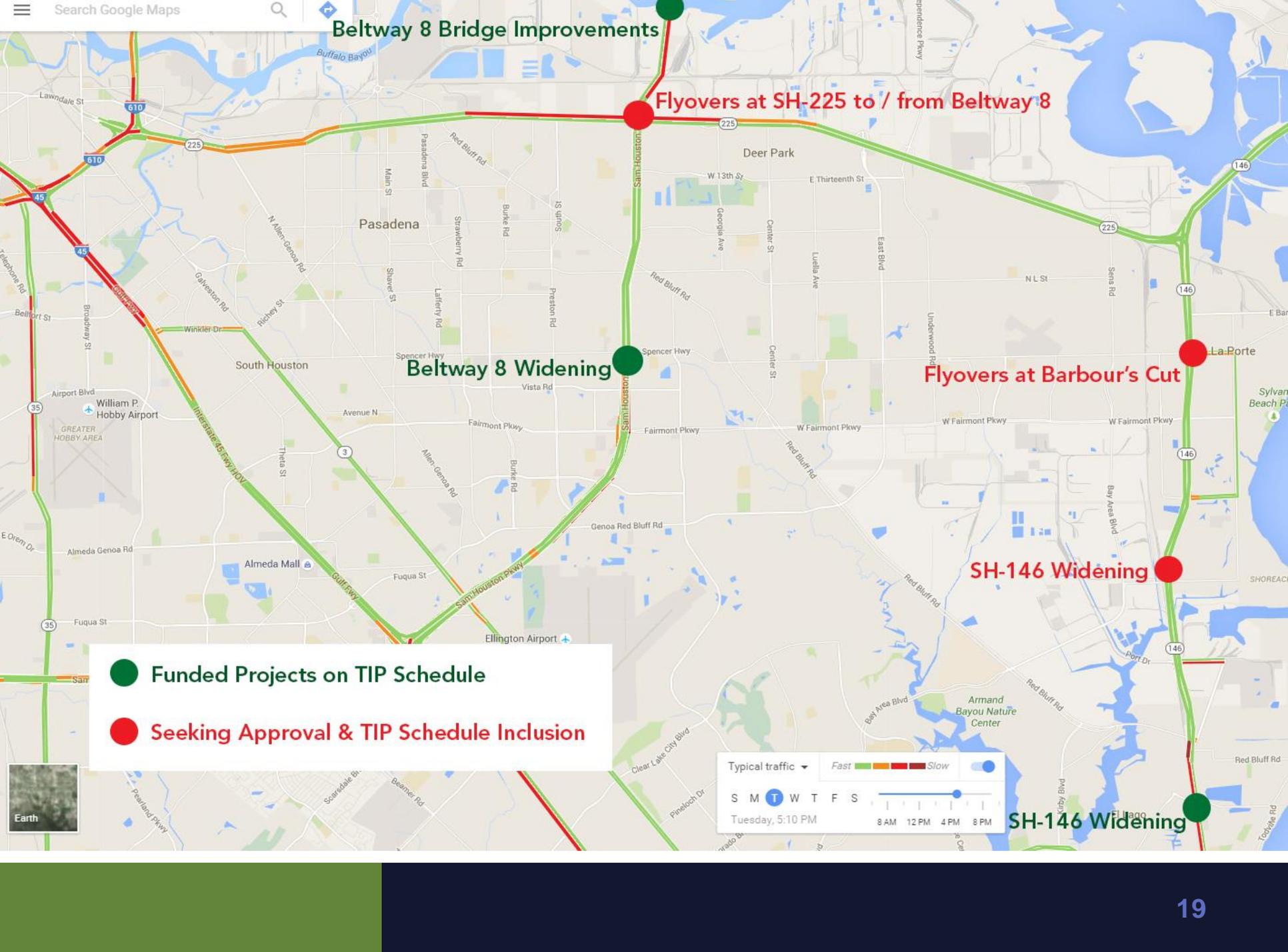
- ❖ The “Resin Boom” is still 12-18 months away.
- ❖ Unique transportation ecosystem: commuter, commercial, rail intermingle daily.
- ❖ Expectation of a tight market with all existing packaging capacity being used in 2017.
- ❖ The logistics industries will continue to invest to keep up with demand but will lag behind.
- ❖ **Lack of funding priority given to freight interests.**

# Process

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1. Identify proposed projects and sponsorship of each by city, county or transit authority.
2. Conduct feasibility study per project.
3. Identify local funding sources.
4. Submit project for consideration by HGAC Technical Advisory Committee (TAC) during HGAC bi-annual Transportation Improvement Plan (TIP) call for projects.
5. TAC recommends projects to HGAC Transportation Policy Council (TPC).
6. TPC approves projects to be funded on TIP in future fiscal years.





# Public Policy

The Economic Alliance Houston Port Region  
exists to market and grow a vibrant regional economy

# Public Policy Task Force

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Chaired by Dennis Winkler

## 2015 State Session

- State Kick Off & Wrap Up Lunches
- Legislative Session Issues & Activities:
  - Monitor and support regional bills w/ letters
  - Local Cities Trip – Tax cap legislation
    - Coordinated Mayor's Letter (11 signatures)
  - Chemicals Day Sponsor and visits

# 2015 DC Advocacy Trip

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- More than 20 Regional Stakeholders:
  - 5 cities (including Mayors & Councilmembers)
  - Petrochemical & Logistics
  - Port of Houston Authority
  - Small Businesses
  - Lee and San Jacinto Colleges
- Held over 20 individual meetings with:
  - Members and staff of the Houston region congressional delegation,
  - U.S. Army Corps of Engineers,
  - Department of Labor, and
  - Vice President's staff







# Workforce Development

The Economic Alliance Houston Port Region  
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# Workforce Development

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**Between 2015 and 2019, approximately 11,430 direct employees and resident contractors hires in the combined operations, maintenance, and engineering occupations **will be needed** to replace attrition and fill newly created positions.**

Approximately **93% of all new hires will be the result of attrition and retirement** (as opposed to overall employment increases).

SOURCE: ECHMA Workforce Assessment Survey

# Workforce Development

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Chaired by Dr. Allatia Harris, San Jacinto College

## Committee Objectives:

1. Regional coordination of programs and stakeholders
2. Creating a marketing program for students, teachers, counselors, parents and under-employed to map career paths, jobs and opportunities
3. Inventory of jobs/careers available and qualifications and requirements for employability

# Workforce Development

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## 2015 Activities

- 40 presentation is 2015
- Over 8,000 students reached
- National Manufacturing Day:
  - 14 companies, 9 schools and 1,030 students
- Teacher Job Shadowing Program
- Young Manufacturers Academy summer camp



**2016**

**Gulf Coast Outlook Conference**

# Questions



[www.allianceportregion.com](http://www.allianceportregion.com)





**Council Agenda Item  
March 14, 2016**

**9. (b) Receive report of the Fiscal Affairs Committee – Councilmember Engelken**

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## **Council Agenda Item March 14, 2016**

**10. ADMINISTRATIVE REPORTS**

- Planning and Zoning Commission Meeting, Thursday, March 17, 2016
- Zoning Board of Adjustment Meeting, Thursday, March 24, 2016
- City Council Meeting, Monday, March 28, 2016
- La Porte Development Corporation Board Meeting, Thursday, March 31, 2016

**11. COUNCIL COMMENTS** regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies – Councilmembers J. Martin, K. Martin, Kaminski, Zemanek, Leonard, Engelken, Earp, Clausen and Mayor Rigby

**12. ADJOURN**

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