

1. City Council Regular Meeting Agenda (PDF)

Documents: [03262012 - REGULAR.PDF](#)

1.1. City Council Regular Meeting Agenda Revised (PDF)

Documents: [03262012 - REGULAR_REVISED02232012.PDF](#)

AGENDA

Notice is hereby given that the City Council of the City of La Marque, Texas will conduct a Public Hearing/Regular Meeting on Monday, March 26, 2012 at 6:00 p.m. at 1109-B Bayou Road for purpose of considering the following agenda:

(1) CALL MEETING TO ORDER

(2) ROLL CALL

(3) INVOCATION AND PLEDGE OF ALLEGIANCE

(4) APPROVAL OF MINUTES (3-4)

- a. Regular City Council Meeting, March 12, 2012

(5) CITIZEN'S PARTICIPATION

Comments from the Public (At this time, any person with city-related business who has signed up may speak to Council (limited to three (3) minutes). In compliance with Texas Open Meeting Act the City Council may not deliberate on comments. Personal attacks will not be allowed, and personnel matters should be addressed to the City Manager during normal business hours.

(6) PUBLIC HEARING

Public Hearing- Ordinance No. **O-2012-1058**, an Ordinance of the City Council of the City of La Marque, Texas, amending Chapter 14, Buildings and Regulations, of the Code of Ordinances of the City of La Marque, Texas, by repealing Sec. 14-60, Electrical Board Generally, of Article III, Electrical; Repealing Sec. 14-61, Appeal from Action of Electrical Board, of Article III, Electrical; and Repealing Sec. 14-188, Plumbing Board, of Article IV, Plumbing

(7) PRESENTATION (5-9)

- a. Introduction of new city employees
- b. Proclamation - Galveston County Food Bank Day – April 29, 2012
- c. Proclamation - Parkinson's Awareness Month – April 2012
- d. Proclamation - National Public Safety Telecommunicators Week – April 8-14, 2012

(8) OLD BUSINESS (10-11)

- a. Discussion/possible action of Ordinance No. **O-2012-1058**, an Ordinance of the City Council of the City of La Marque, Texas, amending Chapter 14, Buildings and Regulations, of the Code of Ordinances of the City of La Marque, Texas, by repealing Sec. 14-60, Electrical Board Generally, of Article III, Electrical; Repealing Sec. 14-61, Appeal from Action of Electrical Board, of Article III, Electrical; and Repealing Sec. 14-188, Plumbing Board, of Article IV, Plumbing. This is the second reading.

(9) NEW BUSINESS (12-33)

- a. Discussion/possible action of accepting the audit for FY 2010-11
- b. Discussion/possible action on proposed pipeline route through a section of Highland Bayou Park
- c. Discussion/possible action on Planning & Zoning Commission's recommendation on proposed rezone for a property described as ABST 2, S F AUSTIN SUR TR 66 1.603 ACRES; 304 Newman from (R-1) single family residential to (C-1) general commercial
- d. Discussion/possible action of appointment a Chairman to the Board of Adjustments
- e. Discussion/possible action on authorizing the City to enter into a license agreement with Alejandro Medellin for use of certain property in Mahan Park

(10) CITY MANAGER REPORT – No Council Action Necessary (34-85)

(11) REQUESTS AND ANNOUNCEMENTS

- a. Requests by Mayor and Council Members for items to be placed on future City Council agendas and announcements on city events/community interests

(12) ADJOURNMENT

CERTIFICATION:

I hereby certify that the above notice of meeting was posted on the bulletin board outside Council Chambers, 1109-B Bayou Road, La Marque, Texas before 5:00 p.m. on **this 22nd day of March 2012**

Zina Tedford, Interim City Clerk

This facility is wheelchair accessible and accessible parking spaces are available. Request for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Clerk's office at (409) 938-9203, or Fax (409) 935-0401, or e-mail cityclerk@ci.la-marque.tx.us for further information.

**MINUTES
REGULAR CITY COUNCIL MEETING
MARCH 12, 2012**

(1) CALL MEETING TO ORDER

Mayor Hocking called the meeting to order at 6 p.m.

(2) ROLL CALL

PRESENT:

Councilmember Brown
Councilmember Trube
Councilmember Osteen
Mayor Pro-Tem Bell
Mayor Hocking

(3) INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Hocking led the Invocation and followed with the Pledge of Allegiance to the Flag.

(4) APPROVAL OF MINUTES

- a. Workshop Meeting, February 23, 2012
- b. Regular City Council Meeting, February 27, 2012

Councilmember Trube moved to approve the Workshop Minutes, February 23, 2012 and the Regular Meeting of February 27, 2012. Councilmember Osteen seconded the motion. The minutes passed unanimously.

(5) CITIZEN'S PARTICIPATION

Comments from the Public (At this time, any person with city-related business who has signed up may speak to Council (limited to three (3) minutes). In compliance with Texas Open Meeting Act the City Council may not deliberate on comments. Personal attacks will not be allowed, and personnel matters should be addressed to the City Manager during normal business hours.

No one signed up to address City Council at this time.

(6) PRESENTATION

- a. Proclamation – Flood Safety Awareness

Mayor Hocking asked Erica Grundmann, City of La Marque Permit Coordinator, to read the proclamation.

(7) OLD BUSINESS

- a. Discussion/possible action of appointments to Boards & Commissions

Board of Adjustments –

District B-Alternate

District D-Alternate

Councilmember Brown made a motion to nominate Willie Alexander. Councilmember Osteen seconded. After discussion, Councilmember Osteen made a motion to nominate Jim Rex as District B-Alternate. Mayor Hocking asked Councilmember Brown and Councilmember Osteen to withdraw their motion respectively. Councilmember Osteen made the motion to approve Councilmember Brown's nomination of Willie Alexander as Alternate-District D and approved Jim Rex as Alternate –District B. Councilmember Trube seconded the motion. Motion passed unanimously.

- b. Discussion/possible action of Ordinance No. **O-2012-1058**, an Ordinance of the City Council of the City of La Marque, Texas, amending Chapter 14, Buildings and Regulations, of the Code of Ordinances of the City of La Marque, Texas, by repealing Sec. 14-60, Electrical Board Generally, of Article III, Electrical; Repealing Sec. 14-61, Appeal from Action of Electrical Board, of Article III, Electrical; and Repealing Sec. 14-188, Plumbing Board, of Article IV, Plumbing. This is the first reading.

Councilmember Trube made a motion to approve Ordinance No. O-2012-1058 for the first reading. Councilmember seconded the motion. Motion passed unanimously.

(8) NEW BUSINESS

- a. Discussion/possible action of appointments to Negotiating Committee for Police Collective Bargaining Negotiations

City Manager Buttler stated that after reviewing previous meeting minutes, it appears that City Council has appointed two Councilmembers to the Committee. The last Committee appointees were Councilmember Trube and Councilmember Osteen. This item has been placed on the agenda for your consideration to appoint or re-appoint as you choose.

Councilmember Brown made a motion to re-appoint Councilmember Trube and Councilmember Osteen to the committee. Mayor Pro-Tem Bell seconded the motion.

Councilmember Osteen stated that City Manager Buttler had stated in the summary sheet that staff support will include Finance Director, Human Resources, and the City Clerk. In the past, Chief Aragon had been included as part of staff. City Manager Buttler states that Chief will be consulted. Councilmember Osteen also stated that Human Resources was not part of committee. Councilmember Trube stated that it was not appropriate to overload staff with additional meetings. Mayor Pro-Tem Bell asked for a point of clarification regarding support staff. Support staff will include the finance director, city manager and city clerk. Mayor Hocking stated that the motion is to re-appoint Councilmember Trube and Councilmember Osteen to the committee. If no objections from City Council, will direct City Manager Buttler to proceed with staff support sans Human Resource Director.

Motion passed to appoint Councilmember Trube and Councilmember Osteen to the Negotiating Committee for Collective Bargaining unanimously.

(9) CITY MANAGER REPORT – No Council Action Necessary

Councilmember Osteen –asked City Manager Buttler about Chief Weidman’s relocation to the City of La Marque. City Manager Buttler stated that Chief is in temporary accommodations. He in the process of searching for housing and has been encouraged to relocate within the city.

Councilmember Trube asked City Manager Buttler if she writes the city manager’s report using the department reports. City Manager Buttler stated that she writes the report and incorporates department reports. The goal is to simplify the report without sacrificing the information. Councilmember Trube stated that she preferred the way reports were presented in the past. Mayor Hocking stated that all information is provided to Council at the end of the month. Mayor Pro-Tem Bell stated that he could go either way.

Mayor Pro-Tem Bell stated he would like to enforce Councilmember’s Osteen’s comments. It is important for city officials to reside within our city limits. City Council takes the heat from the residents when city officials have not found places to live within our city and have experienced the crime, drainage issues, code violations, etc.

Mayor Pro-Tem Bell concluded by extending his congratulations to City Manager, Finance Director and staff for receiving the Texas State Comptrollers Gold Leadership Circle Award-Local Government Transparency.

Councilmember Trube – asked if the gate levees are operational. There has been trouble in the past and would like to be assured that gates are operational as we approach the storm season. Fire Marshal Pierce informed Council that she has been attending meetings and there has been a great deal of emphasis placed on this issue.

Councilmember Osteen asked City Manager Buttler to congratulate the Judicial Department on their collections during the recent warrant roundup. City Council appreciates their efforts.

(10) REQUESTS AND ANNOUNCEMENTS

- a. Requests by Mayor and Council Members for items to be placed on future City Council agendas and announcements on city events/community interests

Councilmember Brown – none

Councilmember Trube-Thank everyone for coming to the meeting.

Councilmember Osteen –none

Mayor Pro-Tem Bell – discussed the La Marque Tigers upcoming registration on April 14th and available options.

Mayor Pro-Tem Bell also stated Councilmember Brown is the hardest working councilmember. He is always out there doing something for the city. Excellent job! Mayor, move forward, you are our leader. A tremendous leader for all of us. We are proud of you.

Mayor Hocking –Thank God we live in America. Pray, it does not become a distraction in our city. United, not divided. For those of you that have not read the paper today - No city officials, past or present will face criminal charges. Galveston County District Attorney’s office finished a yearlong investigation into a series of allegations lobbed at city council members, the former mayor and former city manager. Let’s put this to bed and move ahead with business of this city. It is our intentions to move forward with what is best for the citizens of our community.

(11) ADJOURNMENT

Councilmember Trube made a motion to adjourn the meeting. Mayor Pro-Tem Bell seconded. The meeting adjourned at 6:31 p.m.

Bobby Hocking, Mayor

Zina Tedford, Interim City Clerk



CITY COUNCIL AGENDA FORM

Meeting Date: 2-26-12

Agenda item: 7a

Prepared by: zt

Reviewed by: _____

Department: Administration

AGENDA ITEM DESCRIPTION:

- a. Introduction of new city employees- Linda Knippa- Code Enforcement Clerk

☐

Attachments for Reference

Staff Briefing:

Target Implementation:

Significant Action Dates:

Action:

☐

Ordinance

☐

Resolution

☐

Proclamation

☐

Special Presentation

☐

Finance Report

☐

Public Hearing

☐

Other

Cost Details:	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommendation

Fiscal Impact:



CITY COUNCIL AGENDA FORM

Meeting Date: 2-26-12

Agenda item: 7b,c, & d

Prepared by: zt

Reviewed by: _____

Department: Administration

AGENDA ITEM DESCRIPTION:

b. Proclamation - Galveston County Food Bank Day – April 29, 2012

Mr. Mark Davis, Executive Director and Co-founder has requested this proclamation. Mr. Davis has also extended an invitation to City Council to attend the ribbon cutting scheduled for March 29, 2012 from 4:30 p.m.- 7:00 p.m. at 624 4th Avenue N. A representative will be at the meeting.

c. Proclamation - Parkinson's Awareness Month – April 2012

Ms. Jane Johnson, President , Gulf Parkinson's Source, has requested this proclamation and will have a representative at the meeting.

d. Proclamation - National Public Safety Telecommunicators Week – April 8-14,2012

Public Safety Director Aragon has requested that City Council acknowledge National Public Safety Telecommunicators Week with the attached proclamation.

☒ **Attachments for Reference**

Staff Briefing:

Please find attached proclamations as requested by organizations and city staff.

Target Implementation:

Significant Action Dates:

Action:

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Ordinance

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Resolution

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Proclamation

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Special Presentation

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Finance Report

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Public Hearing

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Other

Cost Details:

Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommendation

Fiscal Impact:

**Office of the Mayor
City of La Marque**

PROCLAMATION

We the Mayor and the City Council, by virtue of the authority vested by the City of, La Marque Texas, do hereby proclaim

March 29, 2012

as

“GALVESTON COUNTY FOOD BANK DAY”

in the City of La Marque, Texas

and urge each and every citizen to recognize, offer congratulations, and best wishes to Gleanings From The Harvest on the ribbon cutting ceremony for the Galveston County Food Bank and to support its mission to increase hunger awareness and fight hunger in our community.

In testimony, whereof, witness my hand and the seal of the City of La Marque, this the 26th day of March 2012

Bobby Hocking, Mayor

Office of the Mayor
City of La Marque

PROCLAMATION

WHEREAS, Parkinson's Disease is a progressive neurological movement disorder of the central nervous system, for which there is no cure; and

WHEREAS, according to the Parkinson's Action Network, Parkinson's Disease Foundation, the American Parkinson Disease Association and the Nation Institutes of Health, there are over one million Americans diagnosed with Parkinson's disease; and

WHEREAS, increased education and research are needed to help find more effective treatments with less side effects and ultimately a cure for Parkinson's disease; and to prove more effective support programs and services to Parkinson's disease patients, their caregivers and families; and

WHEREAS, the Gulf Parkinson's Source is a support group organized by and for residents of Galveston County and Southern Harris County, to serve as a resource and provide support in individuals and families who are affected by Parkinson's; and

WHEREAS, Gulf Parkinson's Source is celebrating National Parkinson's Awareness month in the month of April for all to recognize the need for more research and help with the devastating effects of Parkinson's disease.

NOW THEREFORE, I Bobby Hocking, Mayor of the City of La Marque, Texas do hereby proclaim the month of April as Parkinson's Awareness month.

In testimony, whereof, witness my hand and the seal of the City of La Marque, this 26th day of March 2012.

Bobby Hocking, Mayor

**Office of the Mayor
City of La Marque**

PROCLAMATION

WHEREAS, emergencies can occur at anytime that require police, fire or emergency medical services; and

WHEREAS, when an emergency occurs the prompt response of police officers firefighters and paramedics is critical to the protection of life and preservation of property; and

WHEREAS, the safety of our police officers and firefighters is dependent upon the quality and accuracy of information obtained from citizens who telephone the La Marque Police Department; and

WHEREAS, Telecommunicators are the first and most critical contact our citizens have with emergency services; and

WHEREAS, Telecommunicators are the single vital link for our police officers and firefighters by monitoring their activities by radio, providing them information and insuring their safety; and

WHEREAS, Telecommunicators of the La Marque Police Department have contributed substantially to the apprehension of criminals, suppression of fires and treatment of patients; and

WHEREAS, each Telecommunicator has exhibited compassion, understanding and professionalism during the performance of their job in the past year; and

NOW, THEREFORE, we the Mayor and City Council by virtue of our authority vested by the City of La Marque, Texas do hereby proclaim:

April 8 - 14, 2012

as

“National Public Safety Telecommunicators Week”

in the City of La Marque in honor of the women whose diligence and professionalism keep our city and citizens safe.

In testimony whereof, witness my hand and the Seal of the City of La Marque, this the 26th day of March, 2012.

Bobby Hocking, Mayor



CITY COUNCIL AGENDA FORM

Meeting Date: 3-26-12

Agenda item: 8a

Prepared by: zt

Reviewed by: _____

Department: Administration

AGENDA ITEM DESCRIPTION:

b. Discussion/possible action of Ordinance No. **O-2012-1058**, an Ordinance of the City Council of the City of La Marque, Texas, amending Chapter 14, Buildings and Regulations, of the Code of Ordinances of the City of La Marque, Texas, by repealing Sec. 14-60, Electrical Board Generally, of Article III, Electrical; Repealing Sec. 14-61, Appeal from Action of Electrical Board, of Article III, Electrical; and Repealing Sec. 14-188, Plumbing Board, of Article IV, Plumbing. This is the second reading.



Attachments for Reference

Staff Briefing:

At the Workshop of January 23, 2012, it was the consensus of Council that these two boards be deleted. The boards were created through city ordinances; therefore an ordinance would be necessary to abolish the boards.

History (if applicable):

Target Implementation:

Significant Action Dates:

Action:



Ordinance



Resolution



Proclamation



Special Presentation



Finance Report



Public Hearing



Other

Cost Details:

Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommended Motion: Staff recommends approval of the Ordinance No. O-2012-1058

Fiscal Impact: n/a

ORDINANCE NO. O-2012-1058

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS, AMENDING CHAPTER 14, BUILDINGS AND REGULATIONS, OF THE CODE OF ORDINANCES OF THE CITY OF LA MARQUE, TEXAS, BY REPEALING SEC. 14-60, ELECTRICAL BOARD GENERALLY, OF ARTICLE III, ELECTRICAL; REPEALING SEC. 14.61, APPEAL FROM ACTION OF ELECTRICAL BOARD, OF ARTICLE III, ELECTRICAL; AND REPEALING SEC. 14-188, PLUMBING BOARD, OF ARTICLE IV, PLUMBING.

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

SECTION ONE:

That Sec. 14-60, Electrical Board Generally, of Article III, Electrical, of Chapter 14, Buildings and Regulations, is hereby repealed.

SECTION TWO:

That Sec. 14-61, Appeal from Action of Electrical Board, of Article III, Electrical, of Chapter 14, Buildings and Regulations, is hereby repealed.

SECTION THREE:

That Sec. 14-188, Plumbing Board, of Article IV, Plumbing, of Chapter 14, Buildings and Regulations, is hereby repealed.

PASSED AND APPROVED on first reading this ____ day of _____, 2012.

PASSED AND APPROVED on second and final reading this the ____ day of _____, 2012.

Bobby Hocking, Mayor
City of La Marque, Texas

ATTEST:

Zina Tedford, City Clerk



CITY COUNCIL AGENDA FORM

Meeting Date: 3-26-12

Agenda item: 9a

Prepared by: zt

Reviewed by: _____

Department: Administration

AGENDA ITEM DESCRIPTION

a. Discussion/possible action of accepting the audit for FY 2010-11

☒ **Attachments for Reference**

Staff Briefing:

This agenda item was presented for a Workshop Meeting scheduled for 4:00 p.m. prior to the Council meeting. Finance Director Karen Cooper will present this item.

History (if applicable):

Target Implementation:

Significant Action Dates:

Action:

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Ordinance

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Resolution

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Proclamation

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Special Presentation

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Finance Report

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Public Hearing

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Other - Audit

Cost Details:

Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommendation

Fiscal Impact:

Staff is still cleaning up facts within draft audit. Document to be submitted separately from packet.



CITY COUNCIL AGENDA FORM

Meeting Date: 3-26-12

Agenda item: 9b

Prepared by: zt

Reviewed by: _____

Department: Administration

AGENDA ITEM DESCRIPTION:

b. Discussion/possible action on proposed pipeline route through a section of Highland Bayou Park



Attachments for Reference

Staff Briefing:

Representatives from Mustang Pipeline and Dow Chemicals met with the Parks Board on March 15th to discuss the proposed pipeline route through a section of Highland Bayou Park.

At this time - Survey only

The project consists of a proposed 12-inch (12") pipeline for the transportation of Propane from a Dow Hydrocarbons and Resources LLC (DHRLLC) storage facility at Stratton Ridge, in Brazoria County, to a DHRLLC facility in Texas City.

Specifics to Highland Bayou Park, DHRLLC proposes constructing the pipeline 5-Feet (5') southerly of and adjacent to an existing 6" DHRLLC pipeline, and located within the current easement DHRLLC already possess and maintains, so as not to encumber any additional park space.

Parks Chairman McGaffey and representatives from Mustang Pipeline and Dow Chemicals will be at the meeting to present the information to City Council.

History (if applicable):

Target Implementation: _____

Significant Action Dates: _____

Action: _____



Ordinance



Resolution



Proclamation



Special Presentation



Finance Report



Public Hearing



Other

Cost Details:

Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommendation

Fiscal Impact:

**DOW HYDROCARBONS AND RESOURCES LLC PDH1 PROJECT
PROPOSED 12" PROPANE PIPELINE**



**CITY OF LA MARQUE SURVEY PERMISSION REQUEST
INFORMATION PACKET**

Mustang Engineering, LP (Mustang), on behalf of Dow Hydrocarbons and Resources LLC (DHRLLC), has made application to the City of La Marque for permission to perform environmental and civil surveys only on a portion of Highlands Bayou Park for the purpose of conducting a route study for a proposed pipeline. As part of the request, we are providing the additional information below for your review.

PROJECT OVERVIEW:

This project consists of a proposed 12-Inch (12") pipeline for the transportation of Propane from a DHRLLC storage facility at Stratton Ridge, in Brazoria County, to a DHRLLC facility in Texas City.

Specific to Highlands Bayou Park, DHRLLC proposes constructing the pipeline 5-Feet (5') southerly of and adjacent to an existing 6" DHRLLC pipeline, and located within the current easement DHRLLC already possesses and maintains, so as not to encumber any additional park space.

ENVIRONMENTAL IMPACTS:

DHRLLC recognizes the diverse environment represented within the park's boundaries and wishes to minimize any impact an additional pipeline will make to this sensitive area. To this effect, DHRLLC will adhere to all federal, state and local regulations concerning the construction, operation and maintenance of pipelines.

Pipeline construction typically requires coordination with the US Army Corps of Engineers as the lead agency in granting authorization for construction in compliance with the Federal Clean Water Act, Section 404. In order to support these efforts, DHRLLC will contract with an environmental company to provide wetland delineations, threatened and endangered species studies as well as a cultural resource survey in the proposed pipeline right-of way. DHRLLC has agreed to share these reports and findings with the City of La Marque and the Park Board.

Environmental impacts may affect the proposed route or construction methods used to avoid or minimize those impacts. Authorization requires that all construction impacts will be returned to pre-construction condition. Where these impacts constitute a loss or fill to a jurisdiction water of the United States, DHRLLC will be asked to submit a mitigation plan to the US Army Corps of Engineers for review and approval. This mitigation plan will include a public comment period prior to approval.

Mustang Engineers and Constructors, L.P.
2830 Howe Road, Suite A
Martinez, CA 94553
Tel: (925) 231-4151 Fax: (925) 229-8220
www.mustangeng.com

Prior to beginning construction a Storm Water Pollution Prevention Plan (SWPPP) will be implemented to control sediment or storm water runoff to surrounding areas and waters of the US. This plan will include Best Management Practices that may include but are not limited to silt fencing or other methods of control. The BMPs will be inspected on a periodic basis and maintained by the contractor. Final inspection will assure the construction area has been returned to pre-construction condition and contours.

PIPELINE SAFETY:

Dow Hydrocarbons and Resources LLC has always maintained a good pipeline safety record. Dow's pipeline operations are monitored 24 hours a day by the Dow Houston Product Control Center. The pipeline system is patrolled on a daily basis and aerial surveillance and ground patrol are utilized to monitor the right of ways and to stay aware of any nearby construction and excavation activities. Pipeline emergency drills are conducted annually by Dow's pipeline safety teams. Every two years Dow performs pipeline evaluations and mails notifications to landowners located near Dow's pipelines. To learn more about Dow's pipeline safety please visit: www.DowGulfCoastPipelineSafety.com.

BENEFITS TO CITY OF LA MARQUE:

In addition to the consideration DHRLLC will pay the City of La Marque for the easement, estimated to be in excess of \$90,000.00, and will work with the Parks Board on future park improvements. DHRLLC will also share the survey and environmental data, including endangered species, it collects during this process. DHRLLC understands it is in a long term relationship with the City and commits to being a good neighbor and steward of the community.

ENCLOSURES:

Aerial of proposed route through Highlands Bayou Park.

Aerial of proposed route through Highlands Bayou Park with temporary work space.

Material safety data sheets for Propane.



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PROPANE MSDS

ProductName: Propane
ChemicalName: Propane
Formula: C₃H₈
ChemicalFamily: Alkane (hydrocarbon)
Use: Various
Synonyms: Dimethylmethane, LP-Gas, Liquified petroleum gas (LPG)

4
1 0

NFPA Fire:	4	HMIS Fire:	4	Acute:	No
NFPA Health:	1	HMIS Health:	0	Chronic:	No
NFPA Reactivity:	0	HMIS Reactivity:	0	Fire:	Yes
NFPA Special Hazard:		Mixture:	No	Reactive:	No
				Sudden Release Pressure:	Yes

02. INGREDIENTS - COMPOSITION & INFORMATION

COMPONENT	CAS No.	PERCENT (BY WT.)		EXPOSURE GUIDELINES	
				OSHA - TWA	ACGIH - STEL
Propane	74-98-6	99.0%	100.0%	1000	Simple Asphyxiant

LD50: None. LC50: None.

03. HAZARDS IDENTIFICATION

EMERGENCY OVERVIEW:

Warning: Flammable liquid gas under pressure.
Can form explosive mixtures with air.
May cause frostbite.

Potential Health Effects Information:
Routes of Exposure:

Inhalation: Simple asphyxiant. It should be noted that before suffocation could occur, the lower flammability limit of propane in air would be exceeded; possibly causing both an oxygen-deficient and explosive atmosphere. Exposure to concentrations (> 10%) may cause dizziness. Exposure to atmospheres containing 8-10% or less oxygen will bring about unconsciousness without warning, and so quickly that the individuals cannot help or protect themselves. Lack of sufficient oxygen may cause serious injury or death.

Eye Contact: Contact with liquid or cold vapor can cause freezing of tissue.

Skin Contact: Contact with liquid or cold vapor can cause frostbite.

Chronic Effects: None.

Medical Conditions Aggravated By: None.

Other Effects Of Overexposure: None.

Overexposure:

Carcinogenicity: Propane is not listed by NTP, OSHA or IARC.

04. FIRST AID MEASURES

Inhalation: Persons suffering from lack of oxygen should be removed to fresh air. If victim is not breathing, administer artificial respiration. If breathing is difficult, administer oxygen. Obtain prompt medical attention.

Eye: Contact with liquid or cold vapor can cause freezing of tissue. Gently flush eyes with lukewarm water. Obtain medical attention immediately.

Skin: Contact with liquid or cold vapor can cause frostbite. Immediately warm affected area with lukewarm water not to exceed 105°F (40°C).

Ingestion: None.

Notes To Physician: None.

05. FIRE FIGHTING MEASURES

Flash Point: -156F (-104C)

Autoignition: 842F (432C)

Flammable Limits - Lower: 2.2%

Flammable Limits - Upper: 9.5%

Extinguishing Media: CO2, dry chemical, water spray or fog for surrounding area. Do not extinguish until propane source is shut off.

Fire Fighting Instructions: Evacuate all personnel from danger area. Immediately cool container with water spray from maximum distance, taking care not to extinguish flames. If flames are accidentally extinguished, explosive re-ignition may occur. Stop flow of gas if without risk while continuing cooling water spray.

Fire And Explosion Hazards: Propane is easily ignited. It is heavier than air, therefore, it may collect in low areas or travel along the ground where an ignition source may be present. Pressure in a container can build up due to heat, and it may rupture if pressure relief devices should fail to function.

Hazardous Combustion Products: None known.

Sensitivity To Static Discharge: Possible, container should be grounded.

Sensitivity To Mechanical Impact: None.

06. ACCIDENTAL RELEASE MEASURES

Evacuate: Evacuate the immediate area. Eliminate any possible sources of ignition, and provide maximum explosion-proof ventilation. Shut off source of propane, if possible. If leaking from cylinder, or valve, contact your supplier. Never enter a confined space or other area where the concentration is greater than 10% of the lower flammable limit which is 0.22%.

07. HANDLING AND STORAGE

Storage: Specific requirements are listed in NFPA 58. Cylinder storage locations should be well-protected, well-ventilated, dry, and separated from combustible materials. Cylinders should never knowingly be allowed to reach a temperature exceeding 125°F (52°C). Cylinders of propane should be separated from oxygen cylinders or other oxidizers by a minimum distance of 20 ft., or by a barrier of non-combustible material at least 5 ft. high having a fire resistance rating of at least ½ hour. Full and empty cylinders should be segregated. Use a first-in, first-out inventory system to prevent full containers from being stored for long periods of time.

Cylinders should be stored upright with valve protection cap in place and firmly secured to prevent falling or being knocked over. Protect cylinders from physical damage; do not drag, roll, slide or drop. Use a suitable hand truck for cylinder movement. Post "No Smoking or Open Flames" signs in the storage areas. There should be no sources of ignition. All electrical equipment should be explosion proof in the storage and use areas. Storage areas must meet national electric codes for

class 1 hazardous areas.

Handling: Propane is heavier than air and may collect in low areas that are without proper ventilation. Leak check system with leak detection solution, never with flame. If user experiences difficulty operating cylinder valve, discontinue use and contact supplier. Never insert an object (e.g., wrench, screwdriver, pry bar, etc.) into valve cap openings. Doing so may damage valve, causing a leak to occur. Use an adjustable strap wrench to remove over-tight or rusted caps. Non-sparking tools should be used. Never strike an arc on a compressed gas cylinder or make a cylinder a part of an electrical circuit. Electrically bond and ground cylinder when transferring liquid product. For additional precautions in using propane see Section 16 - Other Information.

08. EXPOSURE CONTROLS - PERSONAL PROTECTION

Engineering Controls:

Ventilation: Natural or mechanical to prevent accumulation in worker's breathing zone above exposure limits. (See Section 2).

Personal Protective Equipment (PPE):

Clothing: Cotton Clothing is recommended for use to prevent static electric buildup.

Glasses: Safety glasses are recommended when handling cylinders.

Shoes: Safety shoes are recommended when handling cylinders.

Gloves: Work gloves are recommended when handling cylinders.

Respirator: None required in general use.

Emergency Use: Self-contained breathing apparatus (SCBA) or positive pressure airline with mask are to be used in oxygen-deficient atmosphere. Respirators will not function. Before entering area, you must check for flammable and oxygen deficient atmospheres.

09. PHYSICAL AND CHEMICAL PROPERTIES

Physical State: Gas

Color: Colorless

Odor: Unodorized propane has a slightly sweet odor. If an odorant has been added it will have a strong unpleasant odor.

Molecular Weight: 44.097

Boiling Point: -43.67°F (-42.04°C) @ 1 atm

Specific Gravity: 1.5223 At 70°F (21.1°C) @ 1 atm, Air = 1

Freezing/Melting Point: -305.84F (-187.69C) at 1 atm

Vapor Pressure: 109.73 psig, (756.56 kPa) at 70°F (21.2°)

Vapor Density: 0.110 lb./cu ft (1.1.77kg/CuM), At 70°F (21.1°C) @ 1 atm

Water Solubility: .065 Vol./Vol. At 100° F (37.8°C)

Expansion Ratio: 1 to 290 at 70°F (21.1°C)

pH: Not applicable

Odor Threshold: 1800 mg/CuM

Evaporation Rate: Not Applicable - Gas

Coefficient Of Water/Oil Distribution: Information not available

10. STABILITY AND REACTIVITY

Chemical Stability: Stable

Conditions To Avoid: None.

Incompatibility With Other Materials: Oxidizing agents.

Hazardous Decomposition Products: None.

Hazardous Polymerization: Will not occur

11. TOXICOLOGICAL INFORMATION

Other Studies Relevant To Material: Propane is nontoxic and is a simple asphyxiant, however it does have slight anesthetic properties and higher concentrations may cause dizziness.

Irritancy Of Material: None.

Reproductive Effects: None.

Teratogenicity: None.

Synergistic Materials: None.

Sensitization To Material: None.

Mutagenicity: None.

12. ECOLOGICAL INFORMATION

ECOTOXICITY: No adverse ecological effects are expected. Propane does not contain any Class I or Class II Ozone depleting chemicals (40 CFR Part 82). Propane is not listed as a marine pollutant by DOT (49 CFR Part 171).

13. DISPOSAL CONSIDERATIONS

Waste Disposal Method: Do not attempt to dispose of residual or unused quantities. Return cylinder to supplier.

Residual product within process system may be burned at a controlled rate, if a suitable burning unit (flare stack) is available on site. This shall be done in accordance with federal, state, and local regulations.

14. TRANSPORT INFORMATION

DOT/IMO Shipping Name: Propane

HAZARD CLASS: 2.1 (Flammable gas.)

Identification Number: UN 1978*

PIN: 1978

Product RQ: None.

Shipping Label: Flammable Gas.

Placard (When Required): Flammable gas.

Special Shipping Information: Cylinders should be transported in a secure position, in a well ventilated vehicle. The transportation of compressed gas cylinders in automobiles or in closed-body vehicles can present serious hazards and should be discouraged.

Special Shipping Information *For domestic transportation only: The identification number UN 1075 may be used in place of the identification number UN 1978. The identification number used must be consistent on package markings, shipping papers, and emergency response information (Special provision 19 from 49 CFR 172.101).

TOP OF THE PAGE

WOULD YOU LIKE MORE INFORMATION OR LEAVE A MESSAGE

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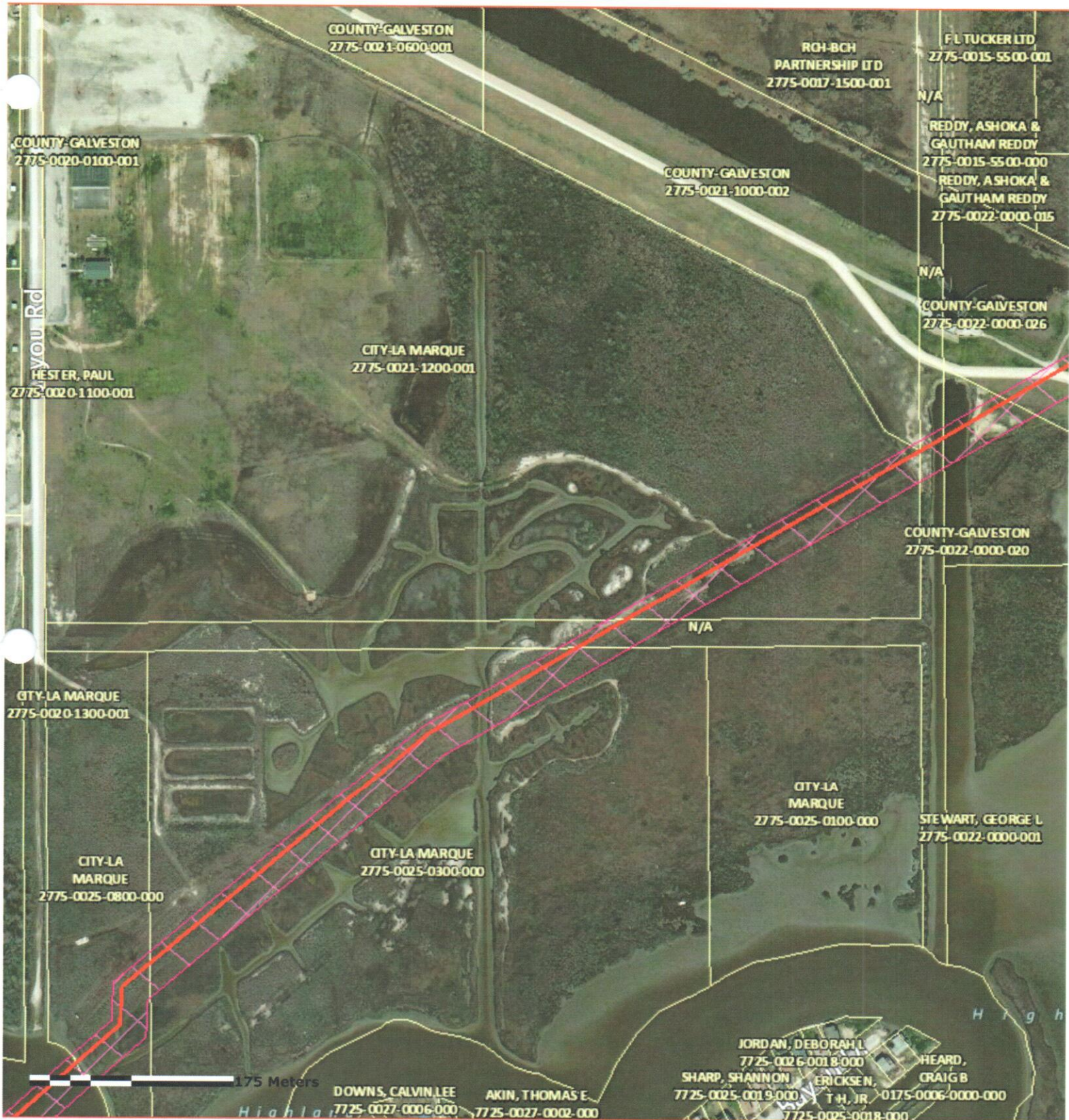
Web Viewer



Legend

- MP
- Still needs reworked
- Galveston
- Preferred Route
- Option B Alt

Web Viewer



Legend

- MP
- Still needs reworked
- 19780_TWS
- Galveston
- Preferred Route
- Option B Alt
- 19780_ATWS



CITY COUNCIL AGENDA FORM

Meeting Date: March 26, 2012

Agenda item: 9c

Prepared by: Ana Tims

Reviewed by: _____

Department: Development Services

AGENDA ITEM DESCRIPTION:

c. Discussion/possible action on Planning & Zoning Commission's recommendation on proposed rezone for a property described as ABST 2, S F AUSTIN SUR TR 66 1.603 ACRES; 304 Newman from (R-1) single family residential to (C-1) general commercial



Attachments for Reference

Staff Briefing

The Planning & Zoning Commission held a Special Meeting on February 27, 2012 to discuss the proposed rezone for a property described as ABST 2, S F AUSTIN SUR TR 66 1.603 ACRES; 304 Newman from (R-1) single family residential to (C-1) general commercial.

Discussion involved the owner's plans to store flammable material tanks on-site and concerns regarding the close proximity of an elementary school and senior living apartment complex. After discussion, the Planning & Zoning Commission voted to recommend that City Council deny the rezone request.

Building Official Tims will be at the meeting to answer any questions City Council may have.

History (if applicable):

Target Implementation:

Significant Action Dates:

Action:

☐

Ordinance

☐

Resolution

☐

Proclamation

☐

Special Presentation

☐

Finance Report

☐

Public Hearing

☒

Other

Staff's Recommended Motion:

Fiscal Impact: None

Cost Details: N/A	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

T OPEN

ER CITY NO. 3

E

6892

(6-3)

BYRD

NEWMAN RD.

3

5

2-70

0002-0070-0000-000

2.386 AC

2-69

0002-0069-0000-000

2.337 AC

2-68

0002-0068-0000-000

1.717 AC

2-67

R131600

.317 AC

2-65

0002-0065-0000-000

1.136 AC

2-64

0002-0064-0000-000

1.135 AC

2-64-1-0

0002-0064-0001-000

0.365 AC

2-63

0002-0063-0000-000

.957 AC

2-62

0002-0062-0000-000

.819 AC

2-61

R131296

.662 AC

GULF FWY

**PLANING AND ZONING COMMITTEE
SPECIAL MEETING
February 28, 2012**

MEMBERS THAT WERE PRESENT:

Dickey Stanley
Mike Castelline
Norman Koneman
C.J. Leggett

STAFF THAT WAS PRESENT:

Carol Buttler, City Manager
Ana Tims, Building Official
Erica Grundmann, Permit Clerk
Jennifer Pierce, Fire Marshall

OTHERS THAT WERE PRESENT:

Pastor Robert "Trey" Dowdy
Jessica Torres
Burnett Pochahontas
Marlow Dowdy
Darren Hurley
Tom Vaught

1. CALL TO ORDER at 4:02 p.m.

2. ROLL CALL

All members of the commission were present except for Vice-Chair Peggy Phillips and Annette Callis.

3. INVOCATION AND PLEDGE OF ALLEGIANCE

Presented by Pastor Robert "Trey" Dowdy

4. APPROVAL OF MINUTES

Regular Meeting of January 12, 2012, Mr. Stanley made a motion to approve the minutes. C.J. Leggett Seconds the motion and the motion passed unanimously.

5. CITIZENS PARTICIPATION

Mr. Konneman asked if anyone wanted to speak on any appropriate matter. No citizens requested to speak.

6. NEW BUSINESS

a. Discussion/Possible action on the proposed abandonment of Part of a 60 foot Street Right of Way, Lying North of F.M. 519, Out of Greb Addition

Mr. Koneman stated that everyone had seen the plat. Mr. Leggett made a motion to discuss the item. Mr. Stanley seconds the motion. The motion passed unanimously. The motion opened for discussion. Mr. Koneman stated that the proposal was to abandon the section of the 60 foot right of way that faces Main Street, and the rest of it will remain as it is. Mr. Konneman asked if there were any comments on that. Mr. Leggett. Asked if they abandon that portion what would happen to the rest. Mr. Konneman stated that the other section will remain as it is and accessible to any parties that desire to use any part of that road. Mr. Konneman asked if there was a motion to approve, or disapprove the recommendation of abandoning that short stretch of land. Mr. Stanley made a motion to approve the 60 foot abandonment of the right of way on the south of a 60 foot Street Right of Way, Lying North of F.M. 519, Out of Greb Addition part. Mr. Castelline seconds the motion. Mr. Konneman asked for any other comments. City attorney Ellis Ortego stated that he understands that one of the adjoining property owners is opposed to the abandonment.

Mr. Koneman stated "Where did he go? I don't see him. Oh there he goes." Mr. Koneman pointed out the section that Mr. Paul Covey owns. He also added that Mr. Covey was opposed to the abandonment. Mr. Konneman stated that on the property there was a sign. He added that Mr. Covey was complaining that he did not have adequate ingress or egress. He pointed out the frontage road and the freeway as related to the property. He also added that there was ingress and egress to the property. Mr. Konneman also added that Mr. Gartrell who represents the other interested party stated that as a concession they are leaving of the property open therefore the request to seek only a portion of the right of way to be abandoned. Mr. Ortego asked if they would require a curb cut in the frontage road. Mr. Konneman stated that it should require an entry permit to the frontage road. Mr. Koneman also pointed out the water way that has already be abandoned. Mr. Koneman stated that the proposal is an attempt to reach a compromise between the two parties. Mr. Konneman also added that in the workshop earlier that day it was thought to be a reasonable compromise. Mr. Ortego asked if it was in fact a compromise. Tom Vaught representative for Paul Covey shook his head indicating "No" Mr. Konneman stated that there was a big sign on the property. Mr. Koneman also asked if the city received any revenue from the sign. Mrs. Tims informed the board that at this time the sign has not been developed. Mrs. Tims also added that due to our ordinance regulations the sign would not be able to be developed until the existing billboard is removed. Mr. Koneman also added that the complaint is that there is no ingress or egress. Mr. Konneman added that he drove to the property and that between there and Vauthier there are many enterprises that are in the same situation. Mr. Konemman also added that it was a bit tight for him, but that the Vauthier access was approximately a mile away.

Mr. Koneman also added that McDonalds had the same situation. Mr. Ortego stated that was all he had to say. Mr. Konemman asked again for any other comments. No one spoke. Mr. Koneman asked for a vote, Mr. Leggett abstained from voting, and Mr. Castelline, Mr. Stanley, and Mr. Konemman voted to approve. The motion passed.

→ **b. Discussion/Possible action on the proposed rezone for a property described as ABST 2 S F AUSTIN SUR TR 66 1.603 ACRES; 304 Newman from (R-1) single family residential to (C-1) general commercial**

Mrs. Tims presented to the board that the property was located at 304 Newman. She also added that the owner wanted to store butane tanks. She also added that Fire Marshall Mrs. Pierce had prepared a presentation for the board. Mr. Koneman asked how close where there residences? Mrs. Tims informed the commission that there were residences adjacent to the property as well as an apartment complex that caters to seniors, and mainland Preparatory Academy. Mr. Koneman asked what percentage of the road was commercial. Mrs. Tims informed the board that everything from IH 45 to the property was already zoned commercial. She also added that this is the reason it would not be spot zoning. Mrs. Tims asked the board that they look at the maps in their packet. Mr. Stanley pointed out Mainland preparatory academy and asked if that was the school. Mr. Leggett asked what where they doing with the tanks. Mrs. Tims informed that board that the owner at this time only states that they are storing the empty tanks on the property. It was noted that the petitioner was not present at the meeting.

Mrs. Pierce presented applicable codes. She added that flammable storage and cylinder storage was allowed in the city; however the code does not interpret cylinders as empty or with residue. She added that in addition with the close proximity to the school and to a community that is comprised largely of a population that would have difficulties during a disaster and adding the proximity to the freeway did not make it an ideal location for the property. She presented the fire code to the commissioners and informed that that the tanks have not been inspected, and that the property did not meet minimum standards of protection. Mrs. Pierce also added that as the Fire Marshall and the Emergency Management Coordinator she could not recommend the re-zoning for the purpose of storing gas cylinders.

Mr. Koneman stated that he was not at all in favor of the approval due to the explosive and flammable materials. He added that an industrial area would be better suited for it. Mrs Tims read a letter opposing to the proposed chance.

Mr. Koneman asked what the city policy was for storing butane tanks across those areas. Mr. Ortego responded that this was the reason it was before Planning and Zoning, and that the next step is for city council to determine if this is the best use of the property or not. Mr. Konemman asked if there would be any liability to the City. Commisioners asked who the letter was from. Mrs. Tims informed the board that it was from Nayoda Fisher, who has a parcel that has not been addressed. Mr. Stanley asked if the re-zoning did not occur did the tanks have to be removed. Mrs. Pierce

stated that at the time the tanks were improperly placed. Mr. Koneman stated that it was a high risk for the kids. Mr. Stanley made a motion to reject the re-zoning of the property. Mr. Leggett seconds the motion and the motion passed unanimously.

**c. Discussion/Possible action on the proposed revision of City Ordinance
Section 71-21 (a) Screening elements (3) residential districts (a &b)**

Mrs. Tims presented to the board that Barry Alexander owner of A-Z fencing proposed to change the minimum size of screening from 6 feet to a larger size to allow for rot boards to be placed under the pickets on newly installed fences. Mr. Konemann asked if he was asking to a variance. Mr. Tims informed the commissioners that he was requesting a change in ordinance. Mr. Stanley stated that it was a reasonable request. Mr. Leggett stated that the specific height should be increased to 7 feet. Mr. Leggett made a motion to approve the increase of the maximum height of a residential fence to seven feet. Mr. Stanley seconds the motion and the motion passed unanimously.

**d. Discussion/Possible action to approve a re-plat of the properties located at
ABST 150 PAGE 1 S 62.5 FT OF LOT D (0-401) SHANNON TRACT ; 1705
Brooksire; R308396 and ABST 150 PAGE 1 LOT 7 SHANNON TRACT;
R199646**

There was a discussion on the item from the commissioners. Mrs. Tims informed the commissioners that the re-plat is needed to allow the construction of a new home for Mrs. Pocahontas Jessica Torres presented before the commissioners the proposal to allow Mrs. Pocahontas to be eligible for a grant. Mrs. Tims stated that the two properties would be adjoined to make one. The new home would have a Kansas frontage. Stanley made a motion to approve the re-plat, Mr. Leggett seconds the motion and the motion passed unanimously.

7. REQUESTS AND ANOUNCEMENTS

There were no requests from the commissioners

8. ADJOURNMENT –

Mr. Leggett made a motion to adjourn at 4:39 P.M. Mr. Stanley seconds the motion and the motion passed unanimously.



Normann Konneman



CITY COUNCIL AGENDA FORM

Meeting Date: March 26, 2012

Agenda item: 9d

Prepared by: Ana Tims

Reviewed by: _____

Department: Development Services

AGENDA ITEM DESCRIPTION:

d. Discussion/possible action of appointment a Chairman to the Board of Adjustments

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Attachments for Reference

Staff Briefing:

As per City of La Marque Code of Ordinances, Section 71.25 The City Council shall designate one member as chairman....

BOARD OF ADJUSTMENT- ORD. 953 CITY COUNCIL APPTS. MEMBERS AND MAY APPT. 2 ALTERNATE MEMBERS		Two Year Terms	
1. Charlotte Westerlage	825 Shady Lane	13	D
2. Greg Cornett	1310 Cedar Drive	14	C
3. Herman Harper	102 Union	13	A
4. Harold Augustus	1030 Laurel	14	M
5. C.J Leggett	1225 Kirsten	13	B
ALTERNATES			
1. Willie Alexander	2114 Evergreen		D
2. Jim Rex	214 Nanlee		B

Building Official Tims will be at the meeting to answer any questions City Council may have.

History (if applicable):

Target Implementation:

Significant Action Dates:

Action:

☐

Ordinance

☐

Resolution

☐

Proclamation

☐

Special Presentation

☐

Finance Report

☐

Public Hearing

☒

Other

Cost Details: N/A

Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommended Motion:

Fiscal Impact: None



CITY COUNCIL AGENDA FORM

Meeting Date: March 26, 2012

Agenda item: 9e

Prepared by: zt

Reviewed by: _____

Department: Admin

AGENDA ITEM DESCRIPTION:

f. Discussion/possible action on authorizing the City to enter into a license agreement with Alejandro Medellin for use of certain property in Mahan Park



Attachments for Reference

Staff Briefing:

The Parks Board has been working closely with this organization for the use of Mahan Park Ballfields and proposes the attached agreement for City Council consideration. Parks Board Chairman McGaffey will present this item to Council.

History (if applicable):

Target Implementation:

Significant Action Dates:

Action:

☐

Ordinance

☐

Resolution

☐

Proclamation

☐

Special Presentation

☐

Finance Report

☐

Public Hearing

☒

Other

Cost Details: N/A

Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommended Motion:

Fiscal Impact: To be determined

**LICENSE AGREEMENT
FOR THE USE OF LAND OWNED BY THE CITY OF LA MARQUE
FOR ATHLETIC FUNCTIONS**

SECTION 1. Parties. This License Agreement (the "Agreement") is made by and between the City of La Marque (hereinafter called "City") and _____ (hereinafter called "Licensee").

SECTION 2. License. City hereby grants Licensee a license to use athletic fields in Mahan Park and concession stands located next to the athletic fields (the "Premises"), said Premises being owned by the City of La Marque and located within the corporate limits of the City on the real property legally described as follows: _____

_____.

SECTION 3. Consideration. As consideration for the license hereby granted, Licensee shall pay the City the sum of \$_____ per year. During the term of this Agreement, Licensee shall also pay all charges for water service to the Premises and a prorated amount as determined by the City for electrical service to the Premises.

SECTION 4. Term and Termination. The license to use the Premises granted herein shall be for a two (2) year period beginning on _____, 2012, and terminating on _____, 2014, provided that City may at any time, on not less than thirty (30) days advance written notice to Licensee, revoke permission to use the Premises herein granted and may take possession of the Premises without being guilty in any manner of trespass; and all claims for damages for and by reason of such re-entry are hereby expressly waived by Licensee. It is agreed that City revocation of this Agreement prior to the expiration of the two-year term hereof must be authorized by the City Council at a regular or special meeting.

SECTION 5. Actions on Termination and Indemnity. Upon termination or expiration of this Agreement, Licensee agrees to peacefully give up the use and possession of said premises to City and shall remove all equipment, uniforms, and personal property. Upon termination or expiration of this Agreement, all physical improvements placed upon the Premises by Licensee shall remain in place. It is further agreed that the City Council shall have the right to approve all plans and specifications before any improvements are made to the Premises by Licensee, other than normal maintenance, and Licensee shall submit all such plans and specifications to the City Council for review and approval.

It is expressly understood and agreed that Licensee shall indemnify and hold City harmless from any liability for payment of any obligations incurred by Licensee or due to any improvements, etc., placed in or upon said Premises by Licensee. Licensee shall not encumber, in any manner, nor permit a lien of any type to be placed on, said Premises, and Licensee agrees to indemnify and hold harmless City in regard to any such financial obligations, liens, or encumbrances of any kind.

SECTION 6. Concession Stand. Licensee shall be permitted to operate a concession stand located next to the athletic fields on the Premises and shall be permitted to sell merchandise and non-alcoholic beverages during the period from one (1) hour immediately before an athletic event commences until one (1) hour immediately after said athletic event ends. Licensee shall provide adequate and suitable containers for collecting discarded cups, papers, and trash from the operation of said concession stand and shall be responsible for keeping the entire Premises free of all papers, cups, and trash resulting from the operation of said concession stand. At no time shall Licensee sell or allow the sale of beer, wine, or any other alcoholic beverage.

SECTION 7. Equal Opportunity. It is agreed and understood that Premises owned by the City are the subject of this Agreement and that in the conduct of Licensee's operation thereon, discrimination on account of race, color, sex, religion, age, disability, or national origin, directly or indirectly, is strictly prohibited.

SECTION 8. Maintenance and Responsibility. Licensee shall maintain the Premises in good condition satisfactory to City. Licensee shall be responsible for the costs of utility service to the Premises.

SECTION 9. Commercial Advertising. All commercial advertising shall be maintained in a state of good repair. All fence signs shall be removed at the end of the regular season.

SECTION 10. Annual Report and Financial Statement. It is agreed that Licensee shall furnish to the City Manager a financial statement of the past year's operation by **September 30** of each year.

SECTION 11. Insurance and Indemnification. As a condition precedent to the effectiveness of the license hereby granted, Licensee agrees to indemnify and hold harmless City, its officials, employees, and agents from and against any and all costs, claims, and damages (including attorney's fees) that may be caused by the use of the Premises, and shall protect and indemnify City from any and all claims, costs, expenses, judgments, and causes of action arising out of or in any way related to the use of the Premises, and shall defend any litigation arising in connection with such use at its own cost and expense. In addition, Licensee agrees to obtain and maintain an insurance policy protecting City from any liability and to have City named as an additional insured under said policy. Such policy shall be for not less than \$500,000.00 per person for bodily injuries, not less than \$100,000.00 for property damage, and an aggregate limit of not less than \$1,000,000.00 per occurrence. Proof of payment of premium for said policy and a copy of said policy shall be delivered to and kept by the City Manager of City, and such insurance shall be maintained in full force so long as this Agreement is in effect. Not less than ten days prior to expiration of a current insurance policy, Licensee shall provide a copy of a new or replacement insurance policy to the City Manager of the City inclusive of evidence of the City continuing to be named as an additional insured under the policy.

SECTION 12. Validity. Each section, subsection, provision, requirement, regulation, or restriction established by this Agreement is hereby declared to be independent, and the holding of any part to be unconstitutional, invalid, or ineffective for any cause shall not affect or render invalid this Agreement or amendments hereto, as a whole or any part thereof, except the particular part so declared to be invalid.

SECTION 13. Authority. Each individual signing this Agreement certifies that he or she has been duly authorized to sign this Agreement by the party for whom he or she signs.

SECTION 14. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Venue shall be in Galveston County, Texas.

SECTION 15. Attorney's Fees. The party prevailing in any dispute under this Agreement shall be entitled to recover its reasonable attorney's fees and costs in addition to all other relief.

SECTION 16. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, personal representatives, successors and assigns. Notwithstanding the foregoing, Licensee may not assign its interest under this Agreement without obtaining the prior consent of the City, acting through its City Council. If Licensee desires to assign its interest under this Agreement, Licensee must submit a written request to the City Manager seeking permission to assign its interest and identify to whom the Licensee proposes to assign its interest and the terms of any such assignment. The request for assignment will be considered by the City Council at a regular meeting and the City Council, in its sole discretion, may vote to consent to the assignment or vote to not consent to the assignment.

SECTION 17. Counterparts. This Agreement may be executed in one or more counterparts which, when taken together, shall constitute one and the same document. This Agreement may be executed by facsimile signature or by a signature transmitted by facsimile and such facsimile signature or such signature transmitted by facsimile shall be considered the same as an original signature for all purposes.

CITY:

CITY OF LA MARQUE

By: _____
Name: _____
Title: _____

LICENSEE:

By: _____
Name: _____
Title: _____

CITY OF LA MARQUE INTER-DEPARTMENTAL COMMUNICATION

TO: Honorable Mayor Hocking and City Councilmembers
FROM: Carol Buttler, City Manager
DATE: March 26, 2012
SUBJECT: City Manager Report

Council indicated a preference to receive a report at both Council meetings each month. At the first meeting of the month, staff will provide you narratives of information acquired since the previous meeting. At the second meeting of the month, staff will continue to provide you the data charts plus narratives of information that occurred between Council meetings. Staff will continue to improve on the format and information provided.

a. Finance Department

- Revenues appear to be on target and expenditures are under budget. Staff is closely monitoring their budgets while still making purchases needed for routine operations.
- Although Medicare payments for EMS/Ambulance have not been receipted in January or February by Direct Deposit, we are being assured by Intermedix that they are working with the Federal entity to get the issue resolved. The issues are on the Federal end and not Intermedix. All payments will be backdated and deposited into City's operating bank account once the issues have been resolved.
- Finance is designing new forms for the budget workbook for coming fiscal budget FY 2013. Meetings with Department Heads will be scheduled in April and budget workbooks put together for distribution in May.

b. Library

- The circulation of books is up 35% over the same time last year, despite losing \$6500 in state funding. The door count is up 9% and the circulation of DVDs is up 6%. On February 8th, I attended the Galveston County Library Director's meeting in Texas City. La Marque residents have saved \$137,112 this fiscal year by using library materials instead of buying them.

c. Public Safety

- **Personnel:**

LMPD:

Nothing to report.

LMFD:

Administrative Assistant vacancy exists in the Fire Department: Interviews have taken place and at least one (1) candidate is being considered at this time (additional interviews may occur.)

- **Training:**

LMPD: Nothing to report.

LMFD: Nothing to report.

- **Operations:**

LMPD:

Clean City Commission Chairman David Pennington and Chief Aragon are working together on a "Spring Clean up" event to take place on April 21, 2012. Event will involve all 14 Community Watch groups performing litter pickup within their neighborhood followed up with a cookout outside City Hall.

LMFD:

Bunker Gear inspections, as per the findings of Texas Commission of Fire Protection (TCFP) inspection, are scheduled to occur during April (next month).

An action plan is being formulated (in coordination with Public Works) for the Fire Department to initiate “Flow testing inspections” of hydrants. Once such inspections commence it will be reported monthly within the *Report to City Council*.

City Council expressed desire that Fire Chief Weidman eventually reside in the City of La Marque was communicated to Chief Weidman by Chief Aragon. Factors bearing on this issue are that by city charter only the City Manager must reside within the city limits. (The requirement that the Police and Fire Chief reside in the city may be a consideration for a future charter amendment.)

The *Revenue Rescue Reimbursement System* does in fact bill insurance companies for both fire and police responses for services for work such as the tanker rollover on 3-16-12. The Fire Department computes and bills for vehicle crashes, commercial fires, and hazmat responses. (This was a question posed by Councilman Osteen.)

g. Fire Marshal

- The Office of Emergency Management is continuing to monitor the drought conditions. While we remain under a burn ban, the City of La Marque continues to experience small brush or grass fires. Citations are being issued to those people who are burning illegally. At this time there is NO burning allowed within the City limits. Once the burn ban has been lifted, residents, who meet all of the requirements, will be allowed to burn with the proper permit.
- Recently, EMC Pierce met with the City Manager and Department Heads to discuss various procedures for employees as she continues to update the City’s Disaster plan to be presented to the Council in the near future.
- GRANTS
Fire Marshal Pierce continues to seek out various grants for the City. At this time applications are being submitted for various small grants to help with the purchase of much needed items to replace damaged or out of date equipment currently in use. Additionally, FEMA is currently working with the City to audit both existing and completed grants associated with the damage from Hurricane Ike. A Grant Taskforce has been created to provide oversight on the financial and logistical aspects of all of the grant monies received by the City.

d. Public Works Department

GLO Round 1.0 Grant Projects

- **Huff & Mitchell –CDBG sewer line Grant** – At this time, we are waiting for the deposit of funds from the CDBG Grant Program to make the final payments to the contractor. Director will be checking with the Finance Department for the deposit of funds. This project involved an area bound by FM 1765, Hwy. 3 and Cedar.
- **Alsay Equipment – GLO Grant Project Water Well Contract Take Point #2**– Final walk through and substantial completion was conducted February 28th. Several items were pointed out with the emergency generator, site grating and disposal of excess dirt left on-site. Due to items being incomplete, a second walk through was scheduled for the start up and training pertaining to the generator. City staff has forwarded all the required information pertaining to the 150 foot sanitary sewer easement to LJA Engineering for review and comment. This easement needs to be established as part of the adjacent property owner’s deeds. Staff has conducted a search of deeds for all the affected property owners. This information has been gathered for the process to draw up the easement for the surrounding property owners for approval. At this time, land owners have not been contacted.
- **Long & Son - GLO Grant Project Magnolia Water Plant** – The general contractor has completed all of the control building’s construction, site grading and pump piping work. The electrical sub-contractor has been on site and has completed the installation of the underground piping, electrical control equipment, emergency generator switch gear and transformer. The sub-contractor for the well, Weisinger has requested to run 24 hours a day to clean and re-proof the well. City staff has indicated to the sub-contractor that this location of work is in a residential area and we have concerns about noise complaints. We have granted their request for 24 hour operations but we have instructed the contractor that he will be shut down if we receive complaints about the work. If shut down, the contractor will have to submit a modified work schedule.

- **Generators of Houston - GLO Grant Project Fire Station Generator** – We have completed the substantial completion and walk through on February 29th. Start-up and training was conducted with Fire Department staff. One problem was noted during the walk through, the engine block heater needed to be converted from 110 to 220.
- **C.F. McDonald Electric - GLO Grant Project Waste Water Treatment Plant, Volney & Delany Generators** – The new gas line and meter has been installed for the Waste Water Treatment Plant. A final walk through is being scheduled in March.
- **Funding for GLO Round 2.1 Disaster Projects** – City staff met with LJA Engineering and went over the project descriptions and statements of work to be completed for Round 2.1. This grant information and cost were developed late 2010 and we wanted to confirm there were no major changes within the work location. After confirmation, LJA Engineering started surveying the water and sewer line routes pertaining to this disaster recovery grant for engineering purposes.
- **Funding for GLO Round 2.2 Disaster Projects** – The City is waiting for approval for the Round 2.2 Recovery Funds from the GLO.
- **2010 -2011 Street Improvement Program Projects 1, 2 & 3** – The asphalt crew has completed all of the driveway and intersection tie-ins pertaining to Projects 2 & 3. These two projects are approximately 95% complete. Within Project 1, the contractor has completed 50% of base repairs and approximately 25% of the overlays.
- **Meetings**
 February - conducted weekly staff meeting with supervisors
 February 2 – Public Works Staff meeting on “Tape Recording Policy”
 February 15 – Gulf Coast Water Authority @ City Hall with Ivan Langford
 February 16 – TCEQ Drought Workshop / after hours in Liberty, TX
 February 17 – City Hall – Human Resource, employee issues
 Met with City Councilman and Independent Laboratory on Newman Road
 February 22 – Galveston County Appraisal District with Ken Wright on City Limit Line
 February 24 – Police Department with Chief on Trash Pick Up on Saturday’s
 February 28 – Water Plant Take Point #2, final walk through KSA Engineering, with City Manager over drainage issues
 February 29 – Fire Station Generator, on-site walk through Banana @ Hwy 146, on-site meeting in reference to street light
- **Stage 2 Drought** – The City of La Marque is still maintaining Stage 2 Drought Contingency Plan.
 February 1st – February 29th, 2012 Water Usage Amounts
 29 day average 2.235 million gallons a day- 80.4% of capacity
 Peak day usage was 2.460 million gallons a day-88% of capacity
 Minimum day usage was 2.048 million gallons a day-72% of capacity.
- La Marque Cemetery Board, March 1, 2012 – members discussed upcoming events including a Cemetery walk through scheduled for April 14th; this allows members to check and verify recorded names with spaces. Members also discussed options for Memorial Day and Veteran’s Day programs. Board tabled discussion on the reissuing of deed for the Anizan plot F-2 spaces 4-9 due to the lack of information.
- Special Parks Board meeting, March 9, 2012 – member discussed and voted on a new structured lease agreement for the athletic fields in Mahan Park. The motion to adopt was unanimous.
- Meeting with representatives from Dow Pipeline Company and Mustang Engineering in regards to surveying a proposed pipeline route with an existing corridor through the southerly portion of Highland Bayou Park.
- Contacted Gulf Coast Engineering concerning surveying a power easement for TNMP within the Magnolia Well site area.
- **Street Lights Updates:**
 Glendale – contacted property owner to sign an easement agreement between the City, Texas New Mexico and owner allowing a 5 foot power easement through owner’s property for light. Contacted Gulf Coast Engineering about surveying easement.
 Meadow Lane – paperwork completed and location marked; TNMP to schedule installation of street light.
 Banana – location marked and paperwork completed and routing through departments for signatures to authorize the installation of street light.
 Preston – field survey completed; beginning paperwork process to authorize.
- Public Works Department received bids on new parks playground equipment and the safety surfacing materials for the equipment.

- La Marque Aid & Guidance – drew out to scale the kitchen area of building for the Galveston County health Department; this is part of the permitting process.

e. Economic Development Board

- Alex met with Fred Welch (Vice President of Regional Economic Development for the Greater Houston Partnership) last week to discuss economic development opportunities in La Marque.

FINANCE DEPARTMENT

Utility Billing/Accounting Department

(Includes 2 Cashiers, 2 UB Clerks & 2 Meter Readers)

ACTIVITY REPORT

February 29, 2012

WEEK (1) 02/01-02/03	WEEK (2) 02/06-02/10	WEEK (3) 02/13-02/17	WEEK (4) 02/20-02/24	WEEK (5) 02/27-02/29	MONTHLY TOTALS
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METER ORDERS

New Connects	8	20	19	26	30	103
Disconnects	3	7	60	83	21	174
Reconnects	2	29	16	39	19	105
Finaled for Non-Pay/Customer Requests	11	17	18	21	20	87
Check read meters & meter re-reads	2	1	1	5		9
Change Meter/Transponders	1	3	4	2	3	13
					491	

** Note

REFUSE/CART ISSUES

Requests for Carts		9	10	9	18	46
Citizen Complaints/Concerns						0
						0
						0
						0
						0
					TOTAL	46

TOTAL WORK ORDERS 537

SPECIAL PROJECTS

Balance UB & Cashier Deposits	12	20	20	20	12	84
Vacant with Consumption Accts Worked	3	0	11	23	31	68
U/B/Account Units Billed	2,290			3,347		5,637
Water Consumption Billed	19,450,000			42,187,000		61,637,000

** Note

**Note = Due to the different scheduling of Meter Readings and Actual Billing dates will never reflect the same number due to the fact we bill in arrears.

DEVELOPMENT SERVICES

Building and Inspections
Monthly Report
Ana Tims

Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec 2011	Fiscal Year To Date
Plumbing Inspections				
Gas Test	41	23	63	127
Plumbing Underground	3	3	24	30
Plumbing Top-Out	17	8	36	61
Plumbing Final	10	4	22	36
Water Heater	1	3	0	4
Sewer Line	4	4	32	40
Water Line	1	5	23	29
Total	77	50	200	327
Electrical inspections				
Electric Underground	0	0	0	0
Electrical Rough-In	16	0	37	53
Electrical Final	11	4	25	40
Electrical Meter Loop	27	28	43	98
Electrical Pool Bonding	0	0	1	1
generators	1	0	2	3
Temporary poles	0	0	2	2
Total	55	32	110	197
Mechanical Inspections				
Mechanical Rough In	14	5	28	47
Mechanical Final	8	4	20	32
Total	22	9	48	79

Building and Inspections
Monthly Report
Ana Tims

Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec 2011	Fiscal Year To Date
Building Inspections				
Foundation Slab/Pier	5	6	24	35
Framing	11	5	34	50
Driveways	4	5	22	31
Building Final	12	4	27	43
Brick Ties	0	0	1	1
Sign	0	0	2	2
Deck	0	0	1	1
House leveling	0	0	2	2
Bulkhead	0	0	3	3
Pool Seal	0	1	2	3
Total	32	21	118	171
Service Inspections				
Service Inspections (C of O)	3	3	4	10
			Total	10
Total Inspections				784

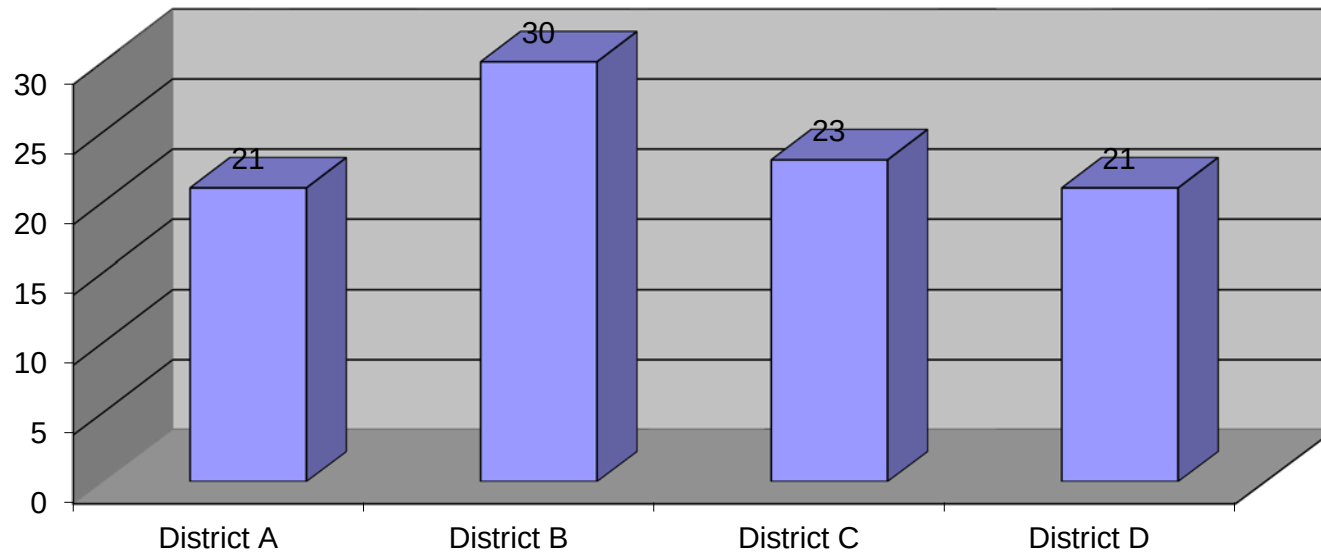
Building and Inspections
Monthly Report
Ana Tims

Building Permits				
Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec 2011	Fiscal Year To Date
Flammable Fluids	2	1	1	4
Highland Bayou Park	3	2	1	6
Fire Code Plan review	1	0	1	2
Liquor License	5	8	4	17
Mechanical	8	9	28	45
Mobile Home Parks	1	0	2	3
Plan Reviews	5	6	17	28
Plumbing	30	39	80	149
Rezone	1	1	1	3
Public Information	3	0	2	5
Service Inspection	4	2	7	13
Culvert Setting	1	1	4	6
Electrical	27	20	55	102
Demolition	0	1	2	3
Community Room	0	0	2	2
Building	30	25	44	99
Burial	1	0	1	2
Coin Operated Machine	13	10	5	28
Temporary Operation	13	13	18	44
Replat Fee	0	2	0	2
Sign	0	1	0	1
Total	148	141	275	564

Building and Inspections
Monthly Report
Ana Tims

Building and trade permits by district for February 2012

	District A	District B	District C	District D
Building permits	5	9	11	5
Electrical permits	4	6	6	11
Mechanical Permits	2	2	1	3
Plumbing Permits	10	13	5	2
Total	21	30	23	21



Special Projects

Building and Inspections
Monthly Report
Ana Tims

Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec	Fiscal Year To Date
Code Enforcement Violations (properties may have more than one violation)				
High Grass	32	23	127	182
Unlawful Deposits	14	12	10	36
Required RV Park License	1	2	0	3
RV Parks Rules & Regulations	0	2	0	2
Junk Vehicles	6	26	6	38
Junkyard Applications	0	1	0	1
Junkyard Enclosure	0	1	0	1
Graffiti	2	1	3	6
Keeping of swine, fowl, etc	0	2	1	3
Accumulation of Rubbish or Garbage	3	3	0	6
Disposal of Rubbish or Garbage	5	5	0	10
Garbage,Rodents,Refuse & Other Waste	7	3	0	10
Removal of Rubble & Haz-Mat	0	1	0	1
Sanitation	5	3	0	8
Water Heater T & P Discharge	0	2	0	2
Water Systems	0	2	0	2
Plumbing Hazards	1	1	0	2
Property owner responsibility	5	3	0	8
Prohibited home occupations	0	1	0	1
Zoning District Violations	0	0	0	0
Peddlers Licence/ Liquor Lic required	3	0	0	3
Abandoned Premises	4	1	0	5
Security of Vacant Premises	6	2	0	8

Building and Inspections
Monthly Report

Vacant Premises	4	1	0	5
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Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec 2012	Fiscal Year To Date
Code Enforcement Violations (properties may have more than one violation)				
Industrial Business without a Dwelling	0	1	0	1
Subst./Delapidtd Bldg.	4	0	4	8
Dangerous Conditions	0	2	0	2
Unsafe Structures	7	4	0	11
Electrical Licensing Required	0	1	0	1
Flexible Chords where permitted	0	2	0	2
Unsafe Electrical Systems	0	3	0	3
Street Address Placement	0	0	0	0
Working Without Permit	2	6	1	9
Accessory Buildings	0	1	0	1
Refrig. / Containers Acces. To Child	0	4	1	5
Underground Storage Tank	0	1	0	1
Screening Required/ not up to code	2	0	0	2
Occupant responsible for extermination	1	0	0	1
Removal of combustibles	1	0	0	1
Exterior Structural Maintenance	2	0	0	2
Fire Protection	1	0	0	1
Kennels	1	0	0	1
Tires Illegal dumping	1	0	0	1
Barking Dogs as a public nuisance	1	0	0	1
Comercial Trash Containers	1	0	0	1
Commercial containers Garb inside	1	0	0	1
Illegal Dumping	1	10	0	11
TOTAL	124	133	153	
			Total	410

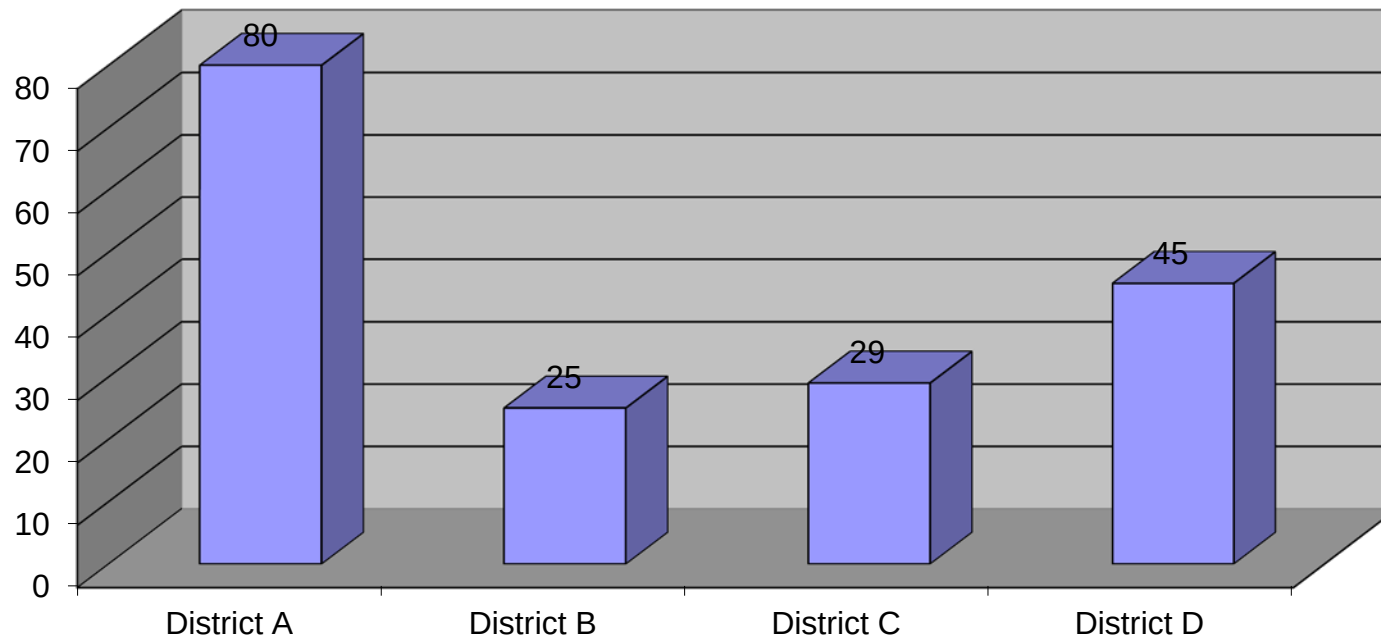
Building and Inspections
Monthly Report
Ana Tims

Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec 2011	Fiscal Year To Date
Abatement of property				
Abated by Owner	52	70	44	166
Abated by City	1	11	5	17
Obtained bid to abate	18	15	10	43
Gave Initial Notice	71	85	12	168
Recheck / Follow Up	5	21	0	26
Retake & Request Pictures	0	5	0	5
30 day compliance extn	4	2	30	36
10 day Compliance extn	3	9	26	38
Sent to Court	9	18	0	27
Court Reset	2	2	0	4
Court No Show	1	3	0	4
Letter sent to City Attorney	1	1	0	2
TOTAL	167	242	127	
Total				536

Building and Inspections
Monthly Report
Ana Tims

Code Enforcement Inspections - Complaint Driven

	District A	District B	District C	District D
Property Inspections	80	25	29	45
Total Insp			179	



Building and Inspections
Monthly Report
Ana Tims

JUDICIAL DEPARTMENT

2012 STATE-WIDE WARRANT ROUND-UP

Roundup Results Spreadsheet

City/County: LA MARQUE MUNICIPAL
 Completed By: LISA SNIDER
 Telephone #: 409-938-9245

Send to: don.mckinley@ci.austin.tx.us

Tel (512) 974-4820

Fax (512) 974-4682

or email: roundup@ci.austin.tx.us

Total Number of notices sent
 (court, law enforcement, collection agency, etc.): 2767

Daily Activity Log		# Warrants Cleared	Total Gross Collections (Costs, Fees, Fines, Bonds)		Total Face Value of all Warrants Cleared	
		(All Warrants/Not Just Those Arrested)	(All Monies paid including bond payments)		(Arrests + Paid + Cleared (Credits, Ext, etc.))	
Mon.	2/13/2012	12	\$	4,351.00	\$	4,709.00
	2/14/2012	31	\$	5,196.34	\$	10,899.00
	2/15/2012	27	\$	5,552.50	\$	9,143.00
	2/16/2012	24	\$	3,453.50	\$	8,101.50
	2/17/2012	78	\$	3,782.00	\$	22,146.50
	2/18/2012	0	\$	-	\$	-
	2/19/2012	0	\$	-	\$	-
Mon.	2/20/2012	136	\$	2,144.90	\$	39,108.15
	2/21/2012	17	\$	2,847.65	\$	5,668.65

2/22/2012	26	\$	1,837.00	\$	11,353.00
2/23/2012	15	\$	3,622.00	\$	4,962.00
2/24/2012	22	\$	6,272.00	\$	7,550.00
Sat. RU 2/25/2012	5	\$	1,408.00	\$	1,408.00
2/26/2012	0	\$	-	\$	-
2/27/2012	62	\$	5,117.00	\$	22,820.00
2/28/2012	23	\$	2,481.00	\$	7,965.00
2/29/2012	23	\$	1,435.00	\$	8,837.00
3/1/2012	30	\$	4,793.29	\$	7,357.29
3/2/2012	43	\$	2,381.50	\$	14,752.50
3/3/2012	13	\$	-	\$	3,950.00
Sun. 3/04/2012	24	\$	7,021.51	\$	7,970.51
TOTALS	611	\$	63,696.19	\$	198,701.10

**Judicial
Monthly Report
February 2012**

	Non- Parking	Traffic Parking	Traffic City Ordinance	Penal Code	Non- Traffic State Law	City Ordinance	Total this Month	Fiscal yr to date	Total Prior Month	Prior Fiscal yr to date
Total Cases Pending First of Month	4506	0	5	1589	1828	474	8402		8608	
Active Cases	963	0	2	287	314	260	1826		1872	
Inactive Cases	3543	0	3	1302	1514	214	6576		6736	
New Cases Filed	277	0	0	96	37	36	446	2357	505	5728
Cases Reactivated	35	0	0	20	9	18	82		38	
All Other Cases Added	0	0	0	0	0	0	0	0	0	
Total Cases on Docket	1275	0	2	403	360	314	2354		2415	
Dispositions Prior to Trial:										
Uncontested Dispositions	10	0	0	23	23	0	56	287	44	
Dismissed by Prosecution	21	0	0	19	34	0	74	88	3	
Dispositions at Trial:										
Convictions:										
Guilty Plea or Nolo Contendere	151	0	0	22	16	10	199	1031	186	3164
By the Court	101	0	0	19	3	9	132	480	95	
By the Jury	0	0	0	0	0	0	0	0	0	2
Acquittals:										
By the Court	0	0	0	0	0	0	0	0	0	3
By the Jury	0	0	0	0	0	0	0	0	0	0
Dismissed by Prosecution	77	0	1	6	9	8	101	244	42	
Compliance Dismissals:										
After Driver Safety Course	26						26	170	24	289
After Deferred Disposition	36	0	0	3	0	1	40	229	41	318
After Proof of Financial Responsibility	8						8	42	3	95

**Judicial
Monthly Report
February 2012**

	Non- Parking	Traffic Parking	Traffic City Ordinance	Penal Code	Non- Traffic State Law	City Ordinance	Total this Month	Fiscal yr to date	Total Prior Month	Prior Fiscal yr to date
All Other Transportation Code Dismissals	10	0	0	0	0	0	10	70	18	
All Other Dispositions	16	0	0	19	19	2	56	363	28	
Total Cases Disposed	456	0	1	111	104	30	702	2921	484	
Cases Placed on Inactive Status	126	0	0	82	30	26	264		286	
Total Cases Pending End of Month:	4327	0	4	1574	1761	480	8146		8629	
Active Cases	693	0	1	210	226	258	1388		1645	
Inactive Cases	3634	0	3	1364	1535	222	6758		6984	
Show Cause Hearings Held	23	0	0	6	1	15	45	346	101	
Cases Appealed:										
After Trial	0	0	0	0	0	0	0	7	0	35
Without Trial	0	0	0	0	0	0	0	1	0	
Courtesy Letters Mailed:							99	597	137	925
Courtesy Phone Calls Made:							56	440	109	

City Marshal Activity:	Total This Month	Fiscal Year to Date	Prior Fiscal Year to Date	Total Month Prior
Door Hangers Issued	22	168	0	38
Arrests	25	139	0	22
Collection Phone Calls	312	1611	0	312
Warrant Amounts Collected	61,305.12	151,865.48	0.00	26,262.13
Letters Mailed	25	122	0	11
Holds Placed	32	148	0	20
Non-Cash Credit Amount	46,380.50	283,262.00	0.00	59,793.00

**Judicial
Monthly Report
February 2012**

	<i>Total this Month</i>	<i>Fiscal yr to date</i>	<i>Total Prior Month</i>	<i>Prior Fiscal yr to date</i>
Juvenile/Minor Activity:				
Transportation Code Cases Filed	2	12	7	
Non-driving Alcoholic Beverage Code Cases Filed	0	1	0	
Driving Under Influence of Alcohol Cases Filed	0	0	0	
Drug Paraphernalia Cases Filed	0	3	0	
Tobacco Cases Filed	0	1	0	
Failure to Attend School Cases Filed	0	0	0	
Education Code Cases Filed (except fail to attend)	0	0	0	
Curfew Violation Cases Filed	1	9	0	
All Other Non-traffic Fine-only Cases Filed	2	22	9	
Additional Activity:				
Magistrate Warnings:				
Class C Misdemeanors	6	30	5	
Class A and B Misdemeanors	24	105	22	
Felonies	6	42	12	
Arrest Warrants Issued:				
Class C Misdemeanors	248	1408	264	3179
Capias Pro Fine Issued:				
Class C Misdemeanors	78	548	152	
Emergency Protection Orders Issued	2	11	1	34
Stolen Property Hearings Held	0	2	1	
Cases Satisfied by Jail Time Credit	127	729	147	
Fines, Court Costs and Other Amounts Collected:				
	<i>Total this Month</i>	<i>Fiscal yr to date</i>	<i>Total Prior Month</i>	<i>Prior Fiscal yr to date</i>
Kept by City	\$ 91,516.41	\$ 300,778.07	\$ 55,949.72	
Remitted to State	\$ 32,983.51	\$ 122,817.95	\$ 24,421.29	
Total	\$ 124,499.92	\$ 423,596.02	\$ 80,371.01	\$ 912,143.28

PUBLIC SAFETY

City of La Marque
Monthly and Year
To Date

Police Department
Month: February
Year: 2012

	CURRENT MONTH (Feb12)	CURRENT MO. PREV. YR. (Feb11)	PREV. MONTH (Jan12)	YR. TO DATE 2012	PREV. YR. TO DATE 2011
<u>PART I CRIMES:</u>					
Homicide	0	0	0	0	1
Rape	0	0	1	1	1
Robbery	1	0	1	2	1
Assault (*includes simple)	30	26	23	53	45
Burglary	16	11	15	31	28
Theft	23	38	25	48	79
M.V. Theft	0	0	1	1	5
<u>PART II CRIMES:</u>		192	195	378	370
<u>CALLS FOR SERVICE:</u>	1,737	1,848	1,785	3,522	4,111
<u>ACCIDENTS:</u>	23	21	12	35	41
Injuries	9	10	3	12	15
Non-injury	14	11	9	23	26
Fatalities	0	0	0	0	0
Alcohol Related	0	1	1	1	2
<u>ADULT ARRESTS:</u>	136	179	148	284	356
<u>JUVENILE DETENTIONS:</u>	2	0	1	3	8
<u>TRAFFIC STOPS:</u>	218	355	297	515	591
Citations	170	258	232	402	490
Violations	252	347	305	557	673
Warnings	8	14	2	10	20
<u>DISTURBANCES:</u>	99	82	103	202	156

This month, the Police Department arrested **52** people on municipal warrants,
serving **144** warrants.

To date, the Police Department has arrested **110** people on municipal warrants,
serving **274** warrants.

**LA MARQUE POLICE DEPARTMENT
USE OF FORCE / DEFENSIVE ACTION REPORT**

Incident / Case No.: 12-000194

Date of Incident: 02/08/2012 Time: 2130

Location: 519 Prune, La Marque, TX 77568

REPORTING OFFICER: F. Gandy  ID#: 37

Assignment: Patrolman

TYPE OF DEFENSIVE ACTION:

☐ Physical Control Techniques / "Hard Hands" ☐ Baton ☐ OC Spray ☐ Firearm Discharge
☒ TASER ☐ Other (describe): _____

PERSON(S) ARRESTED:

Name: [REDACTED] (released to MHMR) DOB: 01/08/1983
Name: _____ DOB: _____
Name: _____ DOB: _____

WITNESSES:

Name: [REDACTED] Address: 519 Prune, La Marque, TX 77568
Name: Deputy Cook (GCSO) Address: _____
Name: Sgt. Cravens / Ofc. King Address: (LMPD)

***Note: Defensive Action Report:**

1. Will be completed by each Officer involved in a reportable incident (as per Written Directive 700-2).
2. Will be stapled (as cover pages) to a copy of the applicable Incident Report.
3. Will be reviewed and signed by the Officer's immediate Shift Leader: prior to departing from shift duty (see Written Directive 700-2 for exceptions). Completed packet will be hand carried by Shift Leader to reporting Officer's applicable Division Commander. If incident is serious/sensitive Shift Leader will immediately provide oral/telephonic briefing to appropriate Division Commander and Chief of Police.
4. Applicable Division Commander will review packet then hand deliver packet to the Office of Professional Responsibility (OPR) Manager.
5. OPR Manager will review packet and hand deliver packet to the Chief of Police.

SUMMARY OF INCIDENT (Specifically address the type of defensive action used):

Subject was reported as a suicidal subject. Officers and GCSO MHMR responded to assess the situation. Subject was combative and aggressive towards officers. Subject was refusing to comply with verbal commands and officers were unable to utilize any hands on techniques. In the interest of officer and the subject's safety, and to prevent any injuries to the subject, a taser was utilized. The taser was deployed to the subjects back, gaining immediate compliance. Subject was restrained in handcuffs. Subject was released to MHMR for transport to a hospital for psychiatric care.

Explain why it was necessary to use defensive action specified above:

Subject was aggressive and combative towards officers. Subject refused verbal commands and officers were unable to effectively engage in hands on techniques without risking injury. Subject was a danger to himself and others with his mental state.

Explain why defensive action used was reasonable:

The use of the taser allowed the subject to safely be taken into custody, resulting in no injury to the subject.

Explain consequences (injury, damage, etc.) that resulted from the use of defensive action:

No injury or damage to any persons or property.

Post Care Action Performed by Reporting Officer:

Subject was released to GCSO MHMR for transport to a hospital for psychiatric treatment.

If subject was not injured, document observations and/or any statements made by suspect, that indicate subject was not injured:

The subject reported no injuries, and did not require or request medical treatment. Subject was calm and collected following the use of force, reporting no pain. Subject was visually checked by responding officers and GCSO MHMR, and no visible sign of injury was observed.

(Attach copies of Incident Reports, Arrest Reports, statements, and other documentation as necessary)

Chain of Command Review

1. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Shift Leader's Name Sgt. M. Cravens Signature Sgt. M. Cravens Date 2-9-12

Comments: Taser Deployment authorized to prevent serious injury to responding officers or subject.

2. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Applicable Division Cdr's Name LT. G. Guehrst Signature [Signature] Date 02/17/2012

Comments:

3. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

OPR Name C. Waggoner Signature [Signature] Date 03/06/12 Manager's

Comments:

Comments:

Review by Chief of Police

Actions taken by Officers appear to be signed w/ WD Signature

Chief of Police Name [Signature] Signature [Signature] Date 3-6-12

LA MARQUE POLICE DEPARTMENT

USE OF FORCE / DEFENSIVE ACTION REPORT

Incident / Case No.: 12-000254

Date of Incident: 02/18/2012 Time: 0330hr

Location: Shell Gas Station, 1001 FM1764, La Marque, Texas 77568

REPORTING OFFICER: C. Kelemen ID#: 547

Assignment: Patrol/ Step Up

TYPE OF DEFENSIVE ACTION:

☒ Physical Control Techniques / "Hard Hands" ☐ Baton ☐ OC Spray ☐ Firearm Discharge
☐ TASER ☐ Other (describe): _____

PERSON(S) ARRESTED:

Name: [REDACTED] DOB: 03/24/1971
Name: _____ DOB: _____
Name: _____ DOB: _____

WITNESSES:

Name: Kremer, Merynda Address: 16423 Dunmore Dr, Houston, Texas 77059
Name: _____ Address: _____
Name: _____ Address: _____

*Note: Defensive Action Report:

1. Will be completed by each Officer involved in a reportable incident (as per Written Directive 700-2).
2. Will be stapled (as cover pages) to a copy of the applicable Incident Report.
3. Will be reviewed and signed by the Officer's immediate Shift Leader: prior to departing from shift duty (see Written Directive 700-2 for exceptions). Completed packet will be hand carried by Shift Leader to reporting Officer's applicable Division Commander. If incident is serious/sensitive Shift Leader will immediately provide oral/telephonic briefing to appropriate Division Commander and Chief of Police.
4. Applicable Division Commander will review packet then hand deliver packet to the Office of Professional Responsibility (OPR) Manager.
5. OPR Manager will review packet and hand deliver packet to the Chief of Police.

SUMMARY OF INCIDENT (Specifically address the type of defensive action used):

This officer was the shifts step up supervisor on this night and was responding to a disturbance call at the Shell Station on FM1764. This officer arrived to see Officer F. Gandy attempting to place a subject into custody. This officer further observed that the subject was actively resisting Officer Gandy. This officer assisted Officer Gandy with securing the subject into hand restraints. The subject was given several verbal commands during the course of the incident and this officer requested that Officer Gandy drive stun [REDACTED] with a La Marque Police Department issued Taser. Once the drive stun was utilized the the subject complied and was taken into custody. The subject was originally resisting arrest by pulling away from officer and placing his arms underneath his body.

Explain why it was necessary to use defensive action specified above:
Officer Gandy was attempting to lawfully arrest the subject who actively resisted.

Explain why defensive action used was reasonable:

The defensive action was the minimum amount of force necessary to take the subject into custody based on his level of resistance.

Explain consequences (injury, damage, etc.) that resulted from the use of defensive action:

The subject was not injured from the incident, and no property damaged resulted.

Post Care Action Performed by Reporting Officer:

The subject was checked by La Marque EMS while on scene and was found to have no injuries from the incident.

If subject was not injured, document observations and/or any statements made by suspect, that indicate subject was not injured:

The subject was checked and cleared medically by La Marque EMS immediately following the incident. Subject was mobile and still trying to slip his restraints in the rear of the patrol car after the incident. No injuries were reported by the subject as a result of the incident.

(Attach copies of Incident Reports, Arrest Reports, statements, and other documentation as necessary)

Chain of Command Review

1. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Shift Leader's Name M. Cravens Signature Sgt. M. Cravens Date 2-23-12

Comments: Off. C. Kelemen was S/U supervisor when incident occurred.

2. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Applicable Division Cdr's Name LT. G. Gilchrist Signature [Signature] Date 02/23/2012

Comments:

3. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

OPR Name C. Waggoner Signature [Signature] Date 03/06/12 Manager's

Comments:

Review by Chief of Police

Comments:

Actions taken by Officers appear to be aligned w/ W.D. System

Chief of Police Name Dan/11 Argo Signature [Signature] Date 3-6-12

LA MARQUE POLICE DEPARTMENT

USE OF FORCE / DEFENSIVE ACTION REPORT

Incident / Case No.: 12-000254

Date of Incident: 02/18/2012 Time: 0330hr

Location: Shell gas station, 1001 FM 1764, La Marque, TX 77568

REPORTING OFFICER: F. Gandy ID#: 37

Assignment: Patrol

TYPE OF DEFENSIVE ACTION:

☒ Physical Control Techniques / "Hard Hands" ☐ Baton ☐ OC Spray ☐ Firearm Discharge
☒ TASER ☐ Other (describe): _____

PERSON(S) ARRESTED:

Name: [REDACTED] DOB: 03/24/1971
Name: _____ DOB: _____
Name: _____ DOB: _____

WITNESSES:

Name: Kremer, Merynda Address: 16423 Dunmore Dr, Houston, TX 77059
Name: _____ Address: _____
Name: _____ Address: _____

*Note: Defensive Action Report:

1. Will be completed by each Officer involved in a reportable incident (as per Written Directive 700-2).
2. Will be stapled (as cover pages) to a copy of the applicable Incident Report.
3. Will be reviewed and signed by the Officer's immediate Shift Leader: prior to departing from shift duty (see Written Directive 700-2 for exceptions). Completed packet will be hand carried by Shift Leader to reporting Officer's applicable Division Commander. If incident is serious/sensitive Shift Leader will immediately provide oral/telephonic briefing to appropriate Division Commander and Chief of Police.
4. Applicable Division Commander will review packet then hand deliver packet to the Office of Professional Responsibility (OPR) Manager.
5. OPR Manager will review packet and hand deliver packet to the Chief of Police.

SUMMARY OF INCIDENT (Specifically address the type of defensive action used):

This officer was attempting to effect an arrest and subject was advised to place his hands behind his back. Subject refused verbal commands. Officer attempted to grasp subjects wrist to detain in handcuffs. Subject pulled from officer and turned aggressively. Officers attempted to secure the subject against a vehicle, but subject turned and pulled away. Officers placed subject on ground, but were still unable to gain control of his hands. Subject was repeatedly given verbal orders to comply, but refused. Subject was warned of the use of a Taser, but subject continued to actively resist. This officer applied a two second cycle of the Taser drive stun feature to subjects back. Subject became compliant and was taken into custody.

Explain why it was necessary to use defensive action specified above:

Officer was attempting to lawfully arrest the subject who actively resisted. Officers used the minimum amount of force as possible.

Explain why defensive action used was reasonable:

The defensive action was the minimum amount of force necessary to take the subject into custody based on his level of resistance and combativeness towards officers.

Explain consequences (injury, damage, etc.) that resulted from the use of defensive action:

Subject was not injured from the incident, and no property damage resulted.

Post Care Action Performed by Reporting Officer:

Subject was checked and cleared medically by La Marque EMS. Subject was transported to the La Marque Police Department and safely secured in a cell.

If subject was not injured, document observations and/or any statements made by suspect, that indicate subject was not injured:

Subject was checked and cleared medically by La Marque EMS immediately following the incident. Subject was mobile and not reporting any injuries as a result of the incident.

(Attach copies of Incident Reports, Arrest Reports, statements, and other documentation as necessary)

Chain of Command Review

1. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Shift Leader's Name Chris Kelemen⁵⁴⁷ Signature [Signature] Date 7-18-12

Comments:

2. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Applicable Division Cdr's Name LT. G. GILCHRIST Signature [Signature] Date 02/22/2012

Comments:

3. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

OPR Name C. Waggoner Signature [Signature] Date 03/06/12 Manager's

Comments:

Review by Chief of Police

Comments:

Actions taken by officers appear to be aligned w/ W.D. [Signature]
Chief of Police Name [Signature] Signature [Signature] Date 3-6-12

City of La Marque

Fire Department
Month: February
Year: 2012

Current Month February 2012	Current Mo. Previous Year (February 2011)	Prev. Month (January 2012)	Fiscal Yr to Date 2011-2012	Fiscal Prev. Yr. to Date 2010-2011
<u>Fires</u>				
4	2	4	29	27
<u>Overpressures, Explosions</u>				
0	0	0	3	2
<u>Rescue & EMS</u>				
127	86	113	497	557
<u>HAZMAT</u>				
6	1	6	20	9
<u>Good Intent</u>				
8	9	6	48	55
<u>False Alarm</u>				
3	5	11	26	35

CALL STATISTICS FY 2010- 2011
La Marque Fire/Rescue

PATIENT DISPOSITION BY MONTH													
Disposition		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Encounters		139	139	132	116	102	128	109	137	125	108	109	122
Transports		98	94	90	94	80	94	84	104	97	93	77	90
Aeromedical		0	0	0	0	0	0	0	0	0	0	0	0
Dead On Scene		1	0	1	1	1	0	0	2	0	1	3	2
Refusals		40	45	41	21	21	34	25	31	28	13	29	30
RESPONSE TIMES PER MONTH (minutes)													
Unit Status		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Dispatch - Location		5	5	5	4	5	4	5	4	4	5	5	5
Location - To Hospital		16	17	19	16	15	15	16	15	15	15	16	16
To Hospital - At Hospital		11	11	12	10	10	9	10	10	9	9	11	9
At Hospital - In Service		25	29	30	27	29	27	30	27	28	29	31	25
Location - At Hospital		26	26	29	24	25	25	25	24	23	23	25	22
Dispatch - At Hospital		31	31	35	29	30	30	29	29	28	29	31	28
Dispatch - In Service		48	51	53	52	52	48	53	48	52	55	53	47

CALL STATISTICS FY 2011- 2012
La Marque Fire/Rescue

PATIENT DISPOSITION BY MONTH												
Disposition	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Encounters	150	102	104	110	120							
Transports	113	78	85	93	104							
Aeromedical	0	0	0	0	0							
Dead On Scene	0	1	1	0	1							
Refusals	37	23	18	17	15							

RESPONSE TIMES PER MONTH (minutes)												
Unit Status	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Dispatch - Location	5	5	5	5	7							
Location - To Hospital	17	16	15	15	15							
To Hospital - At Hospital	11	8	9	9	11							
At Hospital - In Service	28	25	32	31	29							
Location - At Hospital	26	23	24	24	25							
Dispatch - At Hospital	31	28	30	30	31							
Dispatch - In Service	54	49	57	57	58							

PUBLIC WORKS DEPARTMENT

PUBLIC WORKS ADMINISTRATION
ACTIVITY REPORT

Cyndi Efird

2012/ February	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
Calls / Customers						
Water Leaks	2	6	4	9	2	23
Sewer Stops	14	14	25	14	13	80
Leak at Meter	0	1	0	1	2	4
Low Pressure / No Water	1	5	10	2	20	38
Dress-Ups	0	1	0	0	0	1
Billing Department	13	20	11	26	20	90
Blue Cart / Trash Pick Up	0	5	3	2	3	13
Wednesday Pick Up	1	2	1	1	1	6
Bulk Pick Up	0	2	0	0	0	2
Co-Compliance	2	0	0	0	1	3
Pot Holes	0	0	1	0	0	1
Street Repair	2	0	0	0	1	3
Driveway Repair	2	1	0	0	0	3
Dirt Request	0	0	0	0	0	0
Culverts	0	0	1	1	1	3
Mowers / Mowing	0	1	0	0	0	1
Street Signs	0	0	0	0	0	0
Traffic Lights	0	1	0	0	0	1
Street Light Outage	0	1	0	1	2	4
Street Light Request	0	0	0	1	0	1
Director	6	2	6	4	8	26
Assistant Director	1	0	0	1	0	2
PW/Utility Dept Supervisors	9	15	10	8	8	50
City Manager	0	0	0	0	0	0
City Hall Admin Assist.	0	0	0	0	0	0
Human Resource	0	2	0	0	0	2

1 of 2

PUBLIC WORKS ADMINISTRATION
ACTIVITY REPORT
Cyndi Efird

2012/ February	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
Calls / Customers						
City Clerk	0	0	0	0	0	0
Inspections	3	1	0	1	0	5
Animal Control	1	0	0	1	2	4
Mosquito Spray	0	0	0	0	2	2
Locates	0	0	1	4	0	5
LM's	1	0	0	0	0	1
Customer at Window	6	3	2	5	6	22
Recycling	0	0	0	1	1	2
Community Service	0	0	1	2	1	4
Gas Company	0	1	0	1	0	2
Miscellaneous Calls	1	3	1	8	17	30
					TOTAL	434

2/2/12 - Attended Cemetery Board Meeting
2/16/2012 - Attended Parks Board Meeting
2/21/12 - Submitted Cemetery Board Minutes
2/21/12 - Submitted Park Board Minutes

**CITY OF LA MARQUE
PARKS DEPARTMENT MONTHLY REPORT**

Dwanna Jones

2012 / February

SCHEDULED WORK

COMPLETED WORK

PARK MAINTENANCE	WK 1	WK 2	WK 3	WK 4	WK 5	DESCRIPTION OF WORK
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	
Bayou City Park	4	4	4	4	4	Weed-eated & emptied trash
Bird Sanctuary	4	4	4	4	12	Mowed & Weed-eated
Highland Bayou Park	4	4	28	32	4	Mowed, Weed-eated & emptied trash
Jaycee Park	4	12	4	4	4	Mowed, Weed-eated & emptied trash
Lagana Park	4	16	4	4	4	Mowed, Weed-eated & emptied trash
Martin Luther King Jr. Park	16	4	4	4	4	Mowed, Weed-eated & emptied trash
Mahan Park	4	4	28	28	4	Mowed, Weed-eated & emptied trash
Walter Feigle Park	4	4	4	4	4	Weed-eated
Westlawn Park	4	16	4	4	4	Mowed, Weed-eated & emptied trash
GENERAL MAINTENANCE						DESCRIPTION OF WORK
City Hall	4	12	4	4	4	Trimmed hedges
Library	4	16	4	4	12	Mowed & Weed-eated
Police Department	4	4	16	4	12	Mowed & Weed-eated
La Marque Cemetery	4	4	4	4	24	Weed-eated & emptied trash
La Marque Sign @ Hwy 3	4	16	4	4	12	Mowed & Weed-eated
Kirsten esplanade	0	0	0	0	4	Mowed & Weed-eated
LM property / Aid & Guidance	0	0	0	0	2	Mowed & Weed-eated
Bus Stops	2	2	2	2	2	Emptied trash cans
WEEKEND DUTIES						DESCRIPTION OF WORK
Highland Bayou Park	0	0	0	0	0	Pavilion rental clean-up
Weekly Total Hours	70	122	118	110	116	
Comments:						
1 of 1						

RIGHT-OF-WAY & ROAD MAINTENANCE DIVISION
ACTIVITY REPORT
DWANNA JONES

2012 / February

	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
STREETS						
Utility Patch	0	0	0	0	0	0
Man Hours	0	0	0	0	0	0
Culverts-Linear Feet Set	0	24	0	16	0	40
Man Hours	0	12	0	12	0	24
Trimming Tree Limbs-Man Hours	0	0	0	8	0	8
Driveway Tie In-Man Hours	0	0	0	0	0	0
Traffic Sign Repair - Man Hours	8	24	0	16	8	56
Potholes Filled	29	223	102	105	0	459
Man Hours	16	64	16	32	0	128
Repaired Driveways	0	1	0	1	1	3
Man Hours	0	12	0	12	8	32
Grading Ditch - Linear Feet Cut	97	24	0	1064	287	1472
Man Hours	24	9	0	72	12	117
Mowing Man Hours	0	16	0	96	80	192
Sweeping - Man Hours	8	0	40	8	32	88
Grate Repair - Man Hours	0	0	0	16	0	16
Weed-eat - Man Hours	0	48	24	16	0	88
Dress-up - Man Hours	0	0	0	0	0	0
Check Drains & Ditches	0	16	50	8	31	105
Man Hours	0	24	53	8	16	101

RIGHT-OF-WAY & ROAD MAINTENANCE DIVISION
ACTIVITY REPORT
DWANNA JONES

2012 / February

	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
BFI						
Brush Letters Sent Out	0	4	13	0	0	17
Special Pickup's	0	0	0	0	0	0
Man Hours	0	4	4	0	0	8
Safety Meetings	0	0	0	1	0	1

SPECIAL PROJECTS

Community Service workers picked up trash on Bayou, Main and Cedar
Bladed street going into High Bayou Park and the road in back
Repaired shoulder of the road on 4th
Installed drain at the Aid & Guidance Center

WATER & SEWER MAINTENANCE DIVISION
ACTIVITY REPORT
TONY MCCOY

2012 / February	WEEK 1 2/1-2/4	WEEK 2 2/5-2/11	WEEK 3 2/12-2/18	WEEK 4 2/19-2/25	WEEK 5 2/26-2/29	MONTHLY TOTALS
WATER						
Water leaks repaired	3	0	5	5	3	16
Residential Water Taps	0	0	0	0	0	0
Commercial Water Taps	0	0	0	0	0	0
Remote Read Meters Installed	0	0	0	0	0	0
Low Pressure Problems City Side	0	0	0	1	1	2
Low Pressure Problems Customer Side	0	3	1	5	1	10
Meter Boxes & Lids Replaced	0	0	0	0	0	0
Water Turned On/Off for Citizens	0	0	0	0	0	0
Rusty Water Inquires	0	0	0	0	0	0
Bad Taste/Smelly Water Inquiries	0	0	0	0	0	0
Fire Hydrants						
Fire Hydrants Installed	0	0	0	0	0	0
Fire Hydrants Repaired	0	0	0	0	0	0
Fire Hydrants Serviced	0	0	0	0	0	0
SPECIAL PROJECTS						
02/09/12 - Installed 12in valve at Magnolia Well site						

WATER & SEWER MAINTENANCE DIVISION
ACTIVITY REPORT
TONY MCCOY

2012 / February

2012 / February	WEEK 1 2/1-2/4	WEEK 2 2/5-2/11	WEEK 3 2/12-2/18	WEEK 4 2/19-2/25	WEEK 5 2/26-2/29	MONTHLY TOTALS
SEWER						
Sewer Stoppages Resolved	4	19	24	22	15	84
Sewer Lines Repaired	1	2	1	1	2	7
Residential Sewer Taps	0	0	0	0	0	0
Commercial Sewer Taps	0	0	0	0	0	0
Clean-Out Tops Replaced	0	0	0	0	0	0
Clean-Outs Installed	0	0	1	0	0	1
Sewer Lines Installed	0	0	0	0	0	0
Manhole Repaired	0	0	0	0	0	0
Manhole Installed	0	0	0	0	0	0
Lines Locate, Water & Sewer	0	0	0	1	2	3
Miscellaneous						
Dress-Ups	6	4	1	0	6	17
Saw Cuts	0	0	0	0	0	0
Valves Replaced	0	1	0	0	0	1
				TOTAL WORK ORDERS		141
Projects by LF						
Feet of Water Mains Installed	0	0	0	0	0	0
Sewer Lines Cleaned (LF)	0	0	0	620	650	1270
Feet of Sewer Line T.V.'d (LF)	12	0	40	0	0	52
Culverts Cleaned (LF)	0	100	0	0	1300	1400
Feet of Sewer Main Replaced	0	0	0	0	0	0
Smoke Testing Done (LF)	0	0	0	0	0	0

WATER & WASTE WATER ACTIVITY REPORT

Jason Hubbell

2012 / February	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
Utility 24	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
WWTP						
Rain Fall	1.5	0.7	2.8	0	0	5
Flow Total MG/D	9.127	16.812	24.88	15.269	6.48	72.568
Lb. oc CL2 used	540	1006	1240	1065	485	4336
Lb. of SO2 used	322	579	825	571	242	2539
Plant Man Hours	51	85	85	85	50	356
Bio Solids Removed/Tons	0	0	0	0	0	0
Raw TSS Avg. mg/1						103.3
Raw BOD tes/Avg.						113.6
Raw Total Cu Avg.mg/l						0.0182
Raw NH3-3 Avg. mg/l						17.533
Effluent CBOD test/Avg.						2
Effluent TSS Avg. mg/1						2.1
Effluent NH-3N Avg.mg/L						1.107
Raw Total CU mg/L						0.0046
Route Wells & Lift Stations						
Distribution System-Total Surface Water MG/D	8.65	15.36	15.867	15.465	8.725	64.067
Total Well Water MGD	0	0	0.001	0.047	0.275	0.323
Lb. of CL2 used	17	24	42	31	18	132
Lb. of Ammonia Used	5	6	12	8	5	36
Total # of CL2 Residual Samples	44	77	77	77	44	319
Number of Water Bacteriology Samples	0	0	15	0	0	15

1 of 2

WATER & WASTE WATER
ACTIVITY REPORT
Jason Hubbell

2012 / February	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
Utility 24	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
Collection System - Total Lift Station Pump Hours	439.9	840.8	1003.7	744.6	331.3	3360.3
Man Hours Wells Station	18	32	32	32	18	132
Safety Meetings	1	0	0	0	0	1
Dead ends Flushed	0	0	0	0	0	0
Fire Hydrants Painted	0	0	0	0	0	0

CL2 = CHLORINE

MGD = MILLION GALLON DAY

SO2 = SULFUR DIOXIDE

BOD = BIOCHEMICAL OXYGEN DEMAND

CU = COPPER

NH-3N = AMMONIA

UTILITY 26 MAINTENANCE DIVISION
WATER WELLS, LIFT STATIONS & WASTE WATER TREATMENT PLANT
ACTIVITY REPORT
Steve Gassaway

2012 / February

	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
PREVENTATIVE MAINTENANCE						
Lift Pumps	2	2	6	0	2	12
Valves	0	4	6	0	0	10
Electric Motors	0	0	0	0	2	2
Electric Panels	4	0	7	1	0	12
Vent Fans	0	0	0	0	0	0
Blowers	2	0	0	0	0	2
Belts	9	4	6	8	3	30
Floats	0	15	34	18	8	75
Well Sites	0	1	0	0	0	1
Clean Up or Remove Grease @ Well Sites	0	0	0	0	0	0
Troubleshoot Problems	5	4	5	12	2	28
Corrective Maintenance						
Replaced Belts	0	4	0	0	0	4
Replaced Bearings	1	0	0	1	0	2
Replaced Motors	0	0	0	0	0	0
Replaced Seals	12	0	2	3	0	17
Replaced Pumps	0	0	0	1	0	1
Replace wear Parts	20	0	0	2	0	22
Replace Valves	0	0	0	2	0	2
Replace Floats	2	0	0	2	0	4
Replace Gauges	0	0	0	1	0	1
Replace Electrical Parts	4	0	7	1	0	12
Change Oil in Pumps	3	4	14	1	0	22
Degrease & Wash Down Lift Stations	2	2	5	6	0	15
					TOTAL	274

SPECIAL PROJECTS

FIRE MARSHAL

Fire Marshal Monthly Activity Report February 2012

SECTION I- CODE ENFORCEMENT	Current Month	Prior Month	Year to Date
Litter/Trash/Dumping	0	0	0
Junk Vehicle	0	0	0
Grass/Weeds	1	2	6
Graffiti	0	0	4
Citizens Complaints Other	8	16	57
SECTION II- FIRE INVESTIGATIONS		Prior Month	Year to Date
Cases Assigned to Investigate	1	1	8
Cases Open	2	1	5
Cases Closed	0	0	0
Arrests Made	0	0	1
Illegal Burns	1	3	10
SECTION III- FIRE INSPECTIONS	Current Month	Prior Month	Year to Date
Fire Inspections Conducted	0	5	63
# of Violations	0	12	130
Re-Inspections	0	3	25
# of Violations	0	3	71
# of Inspections Not Compliant in 30 Days	0	0	4
Misc Inspections	0	2	7
Burn Permits	0	0	0
Construction Inspections	0	1	6
Plan Reviews	0	1	5
SECTION IV- PUBLIC EDUCATION	Current Month	Prior Month	Year to Date
Fire Safety Classes	2	0	4
CPR Classes	0	0	0
NIMS Training Classes	0	0	0
Other Training Classes	0	0	0
Speaking Engagements	1	0	4
# of Adults	42	0	80

Fire Marshal Monthly Activity Report February 2012

# of Children	0	0	0
Car Seat Installations	2	2	7
Smoke Detector Installations	2	2	11
Weather Radio Installations	4	2	13
SECTION V- MEETINGS	Current Month	Prior Month	Year to Date
# of Meetings Attended	20	21	70
# of Hours Spent in Meetings	26	31	126
SECTION VI- SPECIAL PROJECTS	Current Month	Prior Month	Year to Date
Currently working on multiple grant projects and working on FEMA audit for existing projects.			

Please note that year to date includes November 2011 to present.

EDC DEPARTMENT

City of La Marque
Monthly and Year
To Date

EDC
Month: February
Year: 2012

	CURRENT MONTH	CURRENT MO. PREV. YR.	PREV. MONTH	YR. TO DATE	PREV. YR. TO DATE
<u>Registered ShopsQA</u> <u>Businesses</u>	0	None	8	8	None

***Alex attended a webinar sponsored by the host to review updates to the website and discuss strategies to improve business usage.**

AGENDA

Notice is hereby given that the City Council of the City of La Marque, Texas will conduct a Public Hearing/Regular Meeting on Monday, March 26, 2012 at 6:00 p.m. at 1109-B Bayou Road for purpose of considering the following agenda:

(1) CALL MEETING TO ORDER

(2) ROLL CALL

(3) INVOCATION AND PLEDGE OF ALLEGIANCE

(4) APPROVAL OF MINUTES (3-4)

- a. Regular City Council Meeting, March 12, 2012

(5) CITIZEN'S PARTICIPATION

Comments from the Public (At this time, any person with city-related business who has signed up may speak to Council (limited to three (3) minutes). In compliance with Texas Open Meeting Act the City Council may not deliberate on comments. Personal attacks will not be allowed, and personnel matters should be addressed to the City Manager during normal business hours.

(6) PUBLIC HEARING

Public Hearing- Ordinance No. **O-2012-1058**, an Ordinance of the City Council of the City of La Marque, Texas, amending Chapter 14, Buildings and Regulations, of the Code of Ordinances of the City of La Marque, Texas, by repealing Sec. 14-60, Electrical Board Generally, of Article III, Electrical; Repealing Sec. 14-61, Appeal from Action of Electrical Board, of Article III, Electrical; and Repealing Sec. 14-188, Plumbing Board, of Article IV, Plumbing

(7) PRESENTATION (5-9)

- a. Introduction of new city employees
- b. Proclamation - Galveston County Food Bank Day – April 29, 2012
- c. Proclamation - Parkinson's Awareness Month – April 2012
- d. Proclamation - National Public Safety Telecommunicators Week – April 8-14, 2012

(8) OLD BUSINESS (10-11)

- a. Discussion/possible action of Ordinance No. **O-2012-1058**, an Ordinance of the City Council of the City of La Marque, Texas, amending Chapter 14, Buildings and Regulations, of the Code of Ordinances of the City of La Marque, Texas, by repealing Sec. 14-60, Electrical Board Generally, of Article III, Electrical; Repealing Sec. 14-61, Appeal from Action of Electrical Board, of Article III, Electrical; and Repealing Sec. 14-188, Plumbing Board, of Article IV, Plumbing. This is the second reading.

(9) NEW BUSINESS (12-217)

- a. Discussion/possible action of accepting the audit for FY 2010-11
- b. Discussion/possible action on proposed pipeline route through a section of Highland Bayou Park
- c. Discussion/possible action on Planning & Zoning Commission's recommendation on proposed rezone for a property described as ABST 2, S F AUSTIN SUR TR 66 1.603 ACRES; 304 Newman from (R-1) single family residential to (C-1) general commercial
- d. Discussion/possible action of appointment a Chairman to the Board of Adjustments
- e. Discussion/possible action on authorizing the City to enter into a license agreement with Alejandro Medellin for use of certain property in Mahan Park

(10) CITY MANAGER REPORT – No Council Action Necessary (218-292)

(11) REQUESTS AND ANNOUNCEMENTS

- a. Requests by Mayor and Council Members for items to be placed on future City Council agendas and announcements on city events/community interests

(12) ADJOURNMENT

CERTIFICATION:

I hereby certify that the above notice of meeting was posted on the bulletin board outside Council Chambers, 1109-B Bayou Road, La Marque, Texas before 5:00 p.m. on **this 22nd day of March 2012**

Zina Tedford, Interim City Clerk

This facility is wheelchair accessible and accessible parking spaces are available. Request for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Clerk's office at (409) 938-9203, or Fax (409) 935-0401, or e-mail cityclerk@ci.la-marque.tx.us for further information.

**MINUTES
REGULAR CITY COUNCIL MEETING
MARCH 12, 2012**

(1) CALL MEETING TO ORDER

Mayor Hocking called the meeting to order at 6 p.m.

(2) ROLL CALL

PRESENT:

Councilmember Brown
Councilmember Trube
Councilmember Osteen
Mayor Pro-Tem Bell
Mayor Hocking

(3) INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Hocking led the Invocation and followed with the Pledge of Allegiance to the Flag.

(4) APPROVAL OF MINUTES

- a. Workshop Meeting, February 23, 2012
- b. Regular City Council Meeting, February 27, 2012

Councilmember Trube moved to approve the Workshop Minutes, February 23, 2012 and the Regular Meeting of February 27, 2012. Councilmember Osteen seconded the motion. The minutes passed unanimously.

(5) CITIZEN'S PARTICIPATION

Comments from the Public (At this time, any person with city-related business who has signed up may speak to Council (limited to three (3) minutes). In compliance with Texas Open Meeting Act the City Council may not deliberate on comments. Personal attacks will not be allowed, and personnel matters should be addressed to the City Manager during normal business hours.

No one signed up to address City Council at this time.

(6) PRESENTATION

- a. Proclamation – Flood Safety Awareness

Mayor Hocking asked Erica Grundmann, City of La Marque Permit Coordinator, to read the proclamation.

(7) OLD BUSINESS

- a. Discussion/possible action of appointments to Boards & Commissions

Board of Adjustments –

District B-Alternate

District D-Alternate

Councilmember Brown made a motion to nominate Willie Alexander. Councilmember Osteen seconded. After discussion, Councilmember Osteen made a motion to nominate Jim Rex as District B-Alternate. Mayor Hocking asked Councilmember Brown and Councilmember Osteen to withdraw their motion respectively. Councilmember Osteen made the motion to approve Councilmember Brown's nomination of Willie Alexander as Alternate-District D and approved Jim Rex as Alternate –District B. Councilmember Trube seconded the motion. Motion passed unanimously.

- b. Discussion/possible action of Ordinance No. **O-2012-1058**, an Ordinance of the City Council of the City of La Marque, Texas, amending Chapter 14, Buildings and Regulations, of the Code of Ordinances of the City of La Marque, Texas, by repealing Sec. 14-60, Electrical Board Generally, of Article III, Electrical; Repealing Sec. 14-61, Appeal from Action of Electrical Board, of Article III, Electrical; and Repealing Sec. 14-188, Plumbing Board, of Article IV, Plumbing. This is the first reading.

Councilmember Trube made a motion to approve Ordinance No. O-2012-1058 for the first reading. Councilmember seconded the motion. Motion passed unanimously.

(8) NEW BUSINESS

- a. Discussion/possible action of appointments to Negotiating Committee for Police Collective Bargaining Negotiations

City Manager Buttler stated that after reviewing previous meeting minutes, it appears that City Council has appointed two Councilmembers to the Committee. The last Committee appointees were Councilmember Trube and Councilmember Osteen. This item has been placed on the agenda for your consideration to appoint or re-appoint as you choose.

Councilmember Brown made a motion to re-appoint Councilmember Trube and Councilmember Osteen to the committee. Mayor Pro-Tem Bell seconded the motion.

Councilmember Osteen stated that City Manager Buttler had stated in the summary sheet that staff support will include Finance Director, Human Resources, and the City Clerk. In the past, Chief Aragon had been included as part of staff. City Manager Buttler states that Chief will be consulted. Councilmember Osteen also stated that Human Resources was not part of committee. Councilmember Trube stated that it was not appropriate to overload staff with additional meetings. Mayor Pro-Tem Bell asked for a point of clarification regarding support staff. Support staff will include the finance director, city manager and city clerk. Mayor Hocking stated that the motion is to re-appoint Councilmember Trube and Councilmember Osteen to the committee. If no objections from City Council, will direct City Manager Buttler to proceed with staff support sans Human Resource Director.

Motion passed to appoint Councilmember Trube and Councilmember Osteen to the Negotiating Committee for Collective Bargaining unanimously.

(9) CITY MANAGER REPORT – No Council Action Necessary

Councilmember Osteen –asked City Manager Buttler about Chief Weidman's relocation to the City of La Marque. City Manager Buttler stated that Chief is in temporary accommodations. He in the process of searching for housing and has been encouraged to relocate within the city.

Councilmember Trube asked City Manager Buttler if she writes the city manager's report using the department reports. City Manager Buttler stated that she writes the report and incorporates department reports. The goal is to simplify the report without sacrificing the information. Councilmember Trube stated that she preferred the way reports were presented in the past. Mayor Hocking stated that all information is provided to Council at the end of the month. Mayor Pro-Tem Bell stated that he could go either way.

Mayor Pro-Tem Bell stated he would like to enforce Councilmember's Osteen's comments. It is important for city officials to reside within our city limits. City Council takes the heat from the residents when city officials have not found places to live within our city and have experienced the crime, drainage issues, code violations, etc.

Mayor Pro-Tem Bell concluded by extending his congratulations to City Manager, Finance Director and staff for receiving the Texas State Comptrollers Gold Leadership Circle Award-Local Government Transparency.

Councilmember Trube – asked if the gate levees are operational. There has been trouble in the past and would like to be assured that gates are operational as we approach the storm season. Fire Marshal Pierce informed Council that she has been attending meetings and there has been a great deal of emphasis placed on this issue.

Councilmember Osteen asked City Manager Buttler to congratulate the Judicial Department on their collections during the recent warrant roundup. City Council appreciates their efforts.

(10) REQUESTS AND ANNOUNCEMENTS

- a. Requests by Mayor and Council Members for items to be placed on future City Council agendas and announcements on city events/community interests

Councilmember Brown – none

Councilmember Trube-Thank everyone for coming to the meeting.

Councilmember Osteen –none

Mayor Pro-Tem Bell – discussed the La Marque Tigers upcoming registration on April 14th and available options.

Mayor Pro-Tem Bell also stated Councilmember Brown is the hardest working councilmember. He is always out there doing something for the city. Excellent job! Mayor, move forward, you are our leader. A tremendous leader for all of us. We are proud of you.

Mayor Hocking –Thank God we live in America. Pray, it does not become a distraction in our city. United, not divided. For those of you that have not read the paper today - No city officials, past or present will face criminal charges. Galveston County District Attorney's office finished a yearlong investigation into a series of allegations lobbed at city council members, the former mayor and former city manager. Let's put this to bed and move ahead with business of this city. It is our intentions to move forward with what is best for the citizens of our community.

(11) ADJOURNMENT

Councilmember Trube made a motion to adjourn the meeting. Mayor Pro-Tem Bell seconded. The meeting adjourned at 6:31 p.m.

Bobby Hocking, Mayor

Zina Tedford, Interim City Clerk



CITY COUNCIL AGENDA FORM

Meeting Date: 2-26-12

Agenda item: 7a

Prepared by: zt

Reviewed by: _____

Department: Administration

AGENDA ITEM DESCRIPTION:

- a. Introduction of new city employees- Linda Knippa- Code Enforcement Clerk

☐

Attachments for Reference

Staff Briefing:

Target Implementation:

Significant Action Dates:

Action:

☐

Ordinance

☐

Resolution

☐

Proclamation

☐

Special Presentation

☐

Finance Report

☐

Public Hearing

☐

Other

Cost Details:	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommendation

Fiscal Impact:



CITY COUNCIL AGENDA FORM

Meeting Date: 2-26-12

Agenda item: 7b,c, & d

Prepared by: zt

Reviewed by: _____

Department: Administration

AGENDA ITEM DESCRIPTION:

b. Proclamation - Galveston County Food Bank Day – April 29, 2012

Mr. Mark Davis, Executive Director and Co-founder has requested this proclamation. Mr. Davis has also extended an invitation to City Council to attend the ribbon cutting scheduled for March 29, 2012 from 4:30 p.m.- 7:00 p.m. at 624 4th Avenue N. A representative will be at the meeting.

c. Proclamation - Parkinson's Awareness Month – April 2012

Ms. Jane Johnson, President, Gulf Parkinson's Source, has requested this proclamation and will have a representative at the meeting.

d. Proclamation - National Public Safety Telecommunicators Week – April 8-14, 2012

Public Safety Director Aragon has requested that City Council acknowledge National Public Safety Telecommunicators Week with the attached proclamation.

☒ **Attachments for Reference**

Staff Briefing:

Please find attached proclamations as requested by organizations and city staff.

Target Implementation:

Significant Action Dates:

Action:

☐

Ordinance

☐

Resolution

☒

Proclamation

☐

Special Presentation

☐

Finance Report

☐

Public Hearing

☐

Other

Cost Details:

Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommendation

Fiscal Impact:

Office of the Mayor
City of La Marque

PROCLAMATION

We the Mayor and the City Council, by virtue of the authority vested by the City of, La Marque Texas, do hereby proclaim

March 29, 2012

as

“GALVESTON COUNTY FOOD BANK DAY”

in the City of La Marque, Texas

and urge each and every citizen to recognize, offer congratulations, and best wishes to Gleanings From The Harvest on the ribbon cutting ceremony for the Galveston County Food Bank and to support its mission to increase hunger awareness and fight hunger in our community.

In testimony, whereof, witness my hand and the seal of the City of La Marque, this the 26th day of March 2012

Bobby Hocking, Mayor

Office of the Mayor
City of La Marque

PROCLAMATION

WHEREAS, Parkinson's Disease is a progressive neurological movement disorder of the central nervous system, for which there is no cure; and

WHEREAS, according to the Parkinson's Action Network, Parkinson's Disease Foundation, the American Parkinson Disease Association and the Nation Institutes of Health, there are over one million Americans diagnosed with Parkinson's disease; and

WHEREAS, increased education and research are needed to help find more effective treatments with less side effects and ultimately a cure for Parkinson's disease; and to prove more effective support programs and services to Parkinson's disease patients, their caregivers and families; and

WHEREAS, the Gulf Parkinson's Source is a support group organized by and for residents of Galveston County and Southern Harris County, to serve as a resource and provide support in individuals and families who are affected by Parkinson's; and

WHEREAS, Gulf Parkinson's Source is celebrating National Parkinson's Awareness month in the month of April for all to recognize the need for more research and help with the devastating effects of Parkinson's disease.

NOW THEREFORE, I Bobby Hocking, Mayor of the City of La Marque, Texas do hereby proclaim the month of April as Parkinson's Awareness month.

In testimony, whereof, witness my hand and the seal of the City of La Marque, this 26th day of March 2012.

Bobby Hocking, Mayor

**Office of the Mayor
City of La Marque**

PROCLAMATION

WHEREAS, emergencies can occur at anytime that require police, fire or emergency medical services; and

WHEREAS, when an emergency occurs the prompt response of police officers firefighters and paramedics is critical to the protection of life and preservation of property; and

WHEREAS, the safety of our police officers and firefighters is dependent upon the quality and accuracy of information obtained from citizens who telephone the La Marque Police Department; and

WHEREAS, Telecommunicators are the first and most critical contact our citizens have with emergency services; and

WHEREAS, Telecommunicators are the single vital link for our police officers and firefighters by monitoring their activities by radio, providing them information and insuring their safety; and

WHEREAS, Telecommunicators of the La Marque Police Department have contributed substantially to the apprehension of criminals, suppression of fires and treatment of patients; and

WHEREAS, each Telecommunicator has exhibited compassion, understanding and professionalism during the performance of their job in the past year; and

NOW, THEREFORE, we the Mayor and City Council by virtue of our authority vested by the City of La Marque, Texas do hereby proclaim:

April 8 - 14, 2012

as

“National Public Safety Telecommunicators Week”

in the City of La Marque in honor of the women whose diligence and professionalism keep our city and citizens safe.

In testimony whereof, witness my hand and the Seal of the City of La Marque, this the 26th day of March, 2012.

Bobby Hocking, Mayor



CITY COUNCIL AGENDA FORM

Meeting Date: 3-26-12

Agenda item: 8a

Prepared by: zt

Reviewed by: _____

Department: Administration

AGENDA ITEM DESCRIPTION:

b. Discussion/possible action of Ordinance No. **O-2012-1058**, an Ordinance of the City Council of the City of La Marque, Texas, amending Chapter 14, Buildings and Regulations, of the Code of Ordinances of the City of La Marque, Texas, by repealing Sec. 14-60, Electrical Board Generally, of Article III, Electrical; Repealing Sec. 14-61, Appeal from Action of Electrical Board, of Article III, Electrical; and Repealing Sec. 14-188, Plumbing Board, of Article IV, Plumbing. This is the second reading.

☒ **Attachments for Reference**

Staff Briefing:

At the Workshop of January 23, 2012, it was the consensus of Council that these two boards be deleted. The boards were created through city ordinances; therefore an ordinance would be necessary to abolish the boards.

History (if applicable):

Target Implementation:

Significant Action Dates:

Action:

- | | |
|---|---|
| ☒ Ordinance | ☐ Resolution |
| ☐ Proclamation | ☐ Special Presentation |
| ☐ Finance Report | ☐ Public Hearing |
| ☐ Other | |

Cost Details:	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommended Motion: Staff recommends approval of the Ordinance No. O-2012-1058

Fiscal Impact: n/a

ORDINANCE NO. O-2012-1058

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS, AMENDING CHAPTER 14, BUILDINGS AND REGULATIONS, OF THE CODE OF ORDINANCES OF THE CITY OF LA MARQUE, TEXAS, BY REPEALING SEC. 14-60, ELECTRICAL BOARD GENERALLY, OF ARTICLE III, ELECTRICAL; REPEALING SEC. 14.61, APPEAL FROM ACTION OF ELECTRICAL BOARD, OF ARTICLE III, ELECTRICAL; AND REPEALING SEC. 14-188, PLUMBING BOARD, OF ARTICLE IV, PLUMBING.

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

SECTION ONE:

That Sec. 14-60, Electrical Board Generally, of Article III, Electrical, of Chapter 14, Buildings and Regulations, is hereby repealed.

SECTION TWO:

That Sec. 14-61, Appeal from Action of Electrical Board, of Article III, Electrical, of Chapter 14, Buildings and Regulations, is hereby repealed.

SECTION THREE:

That Sec. 14-188, Plumbing Board, of Article IV, Plumbing, of Chapter 14, Buildings and Regulations, is hereby repealed.

PASSED AND APPROVED on first reading this ____ day of _____, 2012.

PASSED AND APPROVED on second and final reading this the ____ day of _____, 2012.

Bobby Hocking, Mayor
City of La Marque, Texas

ATTEST:

Zina Tedford, City Clerk



CITY COUNCIL AGENDA FORM

Meeting Date: 3-26-12

Agenda item: 9a

Prepared by: zt

Reviewed by: _____

Department: Administration

AGENDA ITEM DESCRIPTION

a. Discussion/possible action of accepting the audit for FY 2010-11

☒ **Attachments for Reference**

Staff Briefing:

This agenda item was presented for a Workshop Meeting scheduled for 4:00 p.m. prior to the Council meeting. Finance Director Karen Cooper will present this item.

History (if applicable):

Target Implementation:

Significant Action Dates:

Action:

- | | |
|--|---|
| ☐ Ordinance | ☐ Resolution |
| ☐ Proclamation | ☐ Special Presentation |
| ☒ Finance Report | ☐ Public Hearing |
| ☒ Other - Audit | |

Cost Details:	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommendation

Fiscal Impact:

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF LA MARQUE, TEXAS

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2011

PREPARED BY

THE DEPARTMENT OF FINANCE

CITY OF LA MARQUE, TEXAS

DRAFT

CITY OF LA MARQUE, TEXAS
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Introductory Section

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March 26, 2012

Honorable Mayor and
Members of the City Council
City of La Marque, Texas

The Finance Department and City Manager's Office is pleased to submit the Comprehensive Annual Financial Report of the City of La Marque, Texas, for the fiscal year ended September 30, 2011.

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. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

To the best of our knowledge and belief the enclosed data is accurate in all material respects, and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. We also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City financial affairs have been included.

The financial statements of the City of La Marque have been audited by Null-Lairson, P.C. Certified Public Accountants in order to provide reasonable assurance that the financial statements of the City of La Marque for the fiscal year ended September 30, 2011 are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts 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 Auditor's Report reflects an unqualified opinion that the City of La Marque's financial statements for the fiscal year ended September 30, 2011, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The Independent Auditor's Report is included as the first component of the financial section of the report.

THE REPORT

This Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The introductory section includes this transmittal letter, a listing of the City Officials and an organizational chart of the City. The financial section includes a Management and Discussion Analysis (MD&A), basic financial statements and combining and individual fund statements and schedules, as well as the independent auditors' report on the basic financial statements. The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The City of La Marque's MD&A can be found immediately following the report of the independent auditors. The statistical section includes financial and demographic information, usually presented on a multi-year basis that is relevant to a financial statement reader.

The Financial Section described above is prepared in accordance with generally accepted accounting principles for governments as prescribed by the Governmental Accounting Standards Board (GASB) and other professional associations, as applicable.

Honorable Mayor and
Members of the City Council

The financial reporting entity (the government) includes all funds of the primary government, the City of La Marque, as well as its component unit. Component units are legally separate entities for which the primary government is financially accountable. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations and cash flows from those of the primary government. The La Marque Economic Development Corporation is reported as a discretely presented component unit.

CITY PROFILE

Location

The City is located in the Gulf Coast area of Texas just north of Galveston. La Marque is only 45 miles south of Houston and less than 20 miles south of NASA's Johnson Space Center, and is readily accessible via the Interstate Highway 45 corridor. The City encompasses 14.8 square miles with a population of approximately 14,509 and shares its boundaries with Texas City, Santa Fe, and Hitchcock.

Organization

Originally part of the Republic of Texas Land Grant, the area prospered along with the growth of the petrochemical industry in Texas City, and was incorporated in 1953 under the provisions of the Home Rule City Act. The City operates under a Council-Manager form of government comprised of a Mayor and four Council members, and is responsible for enacting legislation in the form of ordinances, resolutions, and regulations governing the City. The City has an Economic Development Corporation, Building Standards Commission, Clean City Commission, Cemetery Board, Board of Adjustments, Parks Board and Planning and Zoning Commission. The City Manager is the chief administrative officer of the City, and is responsible for enforcement of laws and ordinances, as well as appointment of various department heads of the municipal organization.

Services Provided

The City provides to its citizens those services that have proven to be necessary and meaningful and which the City can provide at the least cost. Major services provided under general government and enterprise functions are: police, fire and ambulance, streets, water and wastewater utilities, solid waste, code enforcement, parks and recreation, public library, public improvements, community development, planning and general administrative services.

Accounting System and Budgetary Control

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls as deemed appropriate by the City Manager. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by the City Manager. All internal control evaluations occur within the above framework. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding (1) safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The City believes that its internal accounting controls adequately safeguard and provide reasonable assurance from improper recording of financial transactions. The City's accounting controls are designed to provide reasonable assurance that errors or irregularities that could be material to the financial statements are prevented or would be detected within a timely period by employees in the normal course of performing their assigned duties.

Honorable Mayor and
Members of the City Council

The City's annual budget is the basis for La Marque's financial planning and control. All departments submit requests for appropriation to the City Manager. These requests are the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the City Council for review. The Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City of La Marque's fiscal year. The appropriated budget is prepared by fund, function, department and category. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than general fund, with appropriated annual budgets, this comparison is presented in the non-major governmental funds subsection of this report.

Activities of the General Fund, Special Revenue Funds, Debt Service Fund, and Enterprise Funds are included in the annual appropriated budget. Budgetary control (the level at which expenditures cannot legally exceed appropriations) is maintained at the departmental level.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

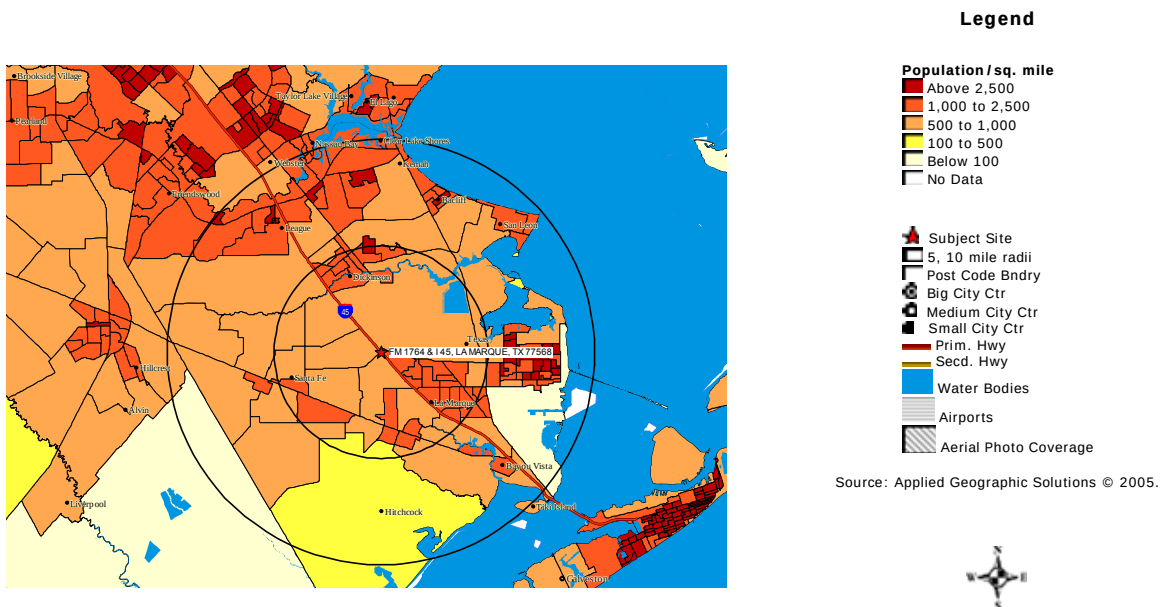
La Marque is located on the upper Texas coast of the Gulf of Mexico along the Interstate 45 corridor in south central Galveston County. La Marque is twenty minutes south of the city of Houston and 15 minutes north of Galveston Island. The City has traditionally been a bedroom community, but is now experiencing tremendous growth in both residential and commercial areas. The educational system includes four college-level institutions: The University of Texas Medical Branch at Galveston, College of the Mainland of Texas City, Galveston Community College at Galveston, and the Texas A & M Marine Institute at Galveston. The City is also home to Kay Bailey Hutchinson, the first woman to serve as a United States Senator from Texas.

Local Economy

The western portion of the city along Interstate 45 is leading the explosive commercial development, which started several years ago with the building of Gulf Greyhound Park. The neighboring area is now home to the 226,000 square foot Wal-Mart Super Center, which opened in April 2003. The Wal-Mart opening has spurred other commercial developments such as La Marque Center, Bay Park Shopping Center, and La Marque Crossing Shopping Center, all housing a variety of specialty retail stores, restaurant and entertainment facilities.



Honorable Mayor and
Members of the City Council



Future Economic Outlook

The total number of new subdivision lots platted in La Marque topped off at 2,450 in seven subdivisions with home prices ranging from \$115,000 to \$215,000.

Additionally, the 2011 county population increased by 16.5% over the 2000 census. This region also boasts a high educational attainment with 63% of the population over 25 having some college or more attributing to the average income of \$43,119, median household income of \$55,883, and per capita income of \$40,711.

Highland Manor and Horizon Meadows apartment complexes were constructed and began providing housing for residents In October 2010 and January 2011, respectively.

The Texas Pit Stop located on Interstate Highway 45 opened their doors in June 2010, offering an assortment of fine foods and desserts.

Community Oriented Policing was fully established this fiscal year. COP is intended to strengthen over time by incorporating local neighborhood watch groups throughout the City of La Marque.

Specifically, La Marque's percentage of owner occupied housing units is 73%, which is 5.4% greater than Galveston County as a whole.

Long-term Financial Planning

The City of La Marque's growth has been steady over the past several years. It is anticipated that La Marque will expand rapidly when the housing market recovers from the current economic downturn.

La Marque's large amount of developable acreage and the commercial developments that continue to move south will soon converge creating an economic jolt. The City also anticipates a continued natural progression of movement from Galveston Island as the recovery process moves forward. La Marque will also be getting the "Tejas" building back on the tax roll when it changes from public to private ownership.

Honorable Mayor and
Members of the City Council

Street improvements and public transit are on the horizon as well. In the 2011 City Budget, City Council approved an extensive street repair program of \$2,500,000 bond funds, which initially included fifty-five (55) streets needing major repairs. Effective June 15, 2009, La Marque Connect began operation in La Marque. Connect Transit is a bus service that stops at various retail stores, City Hall, and the Galveston County Health District. This new transit service created jobs with benefits, kept federal and state dollars in the community, and continue opportunities for infrastructure improvements.

La Marque continues to improve and repair sewer lines. During the Cedar Drive project a new 12" trunk line for water was installed. With these types of major improvements to the infrastructure, La Marque is setting the table to handle the anticipated growth for years to come.

La Marque was included in the Texas Community Development Block Grants to receive additional disaster recovery monies. The projects included were extensive upgrades of the Magnolia Water Plant, Backflow Preventer, Fire Station generator, and Waste Water Treatment Plant general. These projects were started during fiscal year 2011 and will be completed in 2012.

Cash Management Policies and Practices

Cash temporarily idle during the year was invested in certificates of deposit, U.S. Agency securities, mutual funds and investment pools. Maturities of these investments range from one day to twelve months. Interest rates on these investments range from 0.07% to 3.16%. The primary objectives of the City's investment policy, in priority order, are safety (preservation of capital), liquidity (to provide adequate and timely working funds), and return on investment (obtaining a rate of return commensurate with investment risk constraints and cash flow needs).

Risk Management

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. In addition, a designation for self-insurance has been established in the General and Enterprise Funds to provide a designation of funds to cover the risk of loss for physical damage to vehicles. This designation is not, nor is it intended to be a traditional self-insurance program. It is rather a designation of funds established to meet deductibles under the City's commercial insurance coverage.

AWARDS AND ACKNOWLEDGEMENTS

Awards

This report has been prepared in accordance with guidelines established by the Government Finance Officers Association (GFOA) for its Certificate of Achievement for Excellence in Financial Reporting. The 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, 2010. This was the sixteenth year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy 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.

Honorable Mayor and
Members of the City Council

Acknowledgments

The preparation of the CAFR was made possible by the efforts of the City audit firm, Null-Lairson, P.C., along with the City Finance Department. Other departments within the City were cooperative in providing essential information to the Finance Department in a timely and professional manner and we extend our thanks to responsible persons in those departments. In addition, we thank the Mayor and members of the City Council for the responsible decisions they have made in the interest of preserving the financial integrity of the City of La Marque.

Respectfully submitted,

Karen Cooper
Director of Finance

Carol Buttler
City Manager

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of La Marque
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



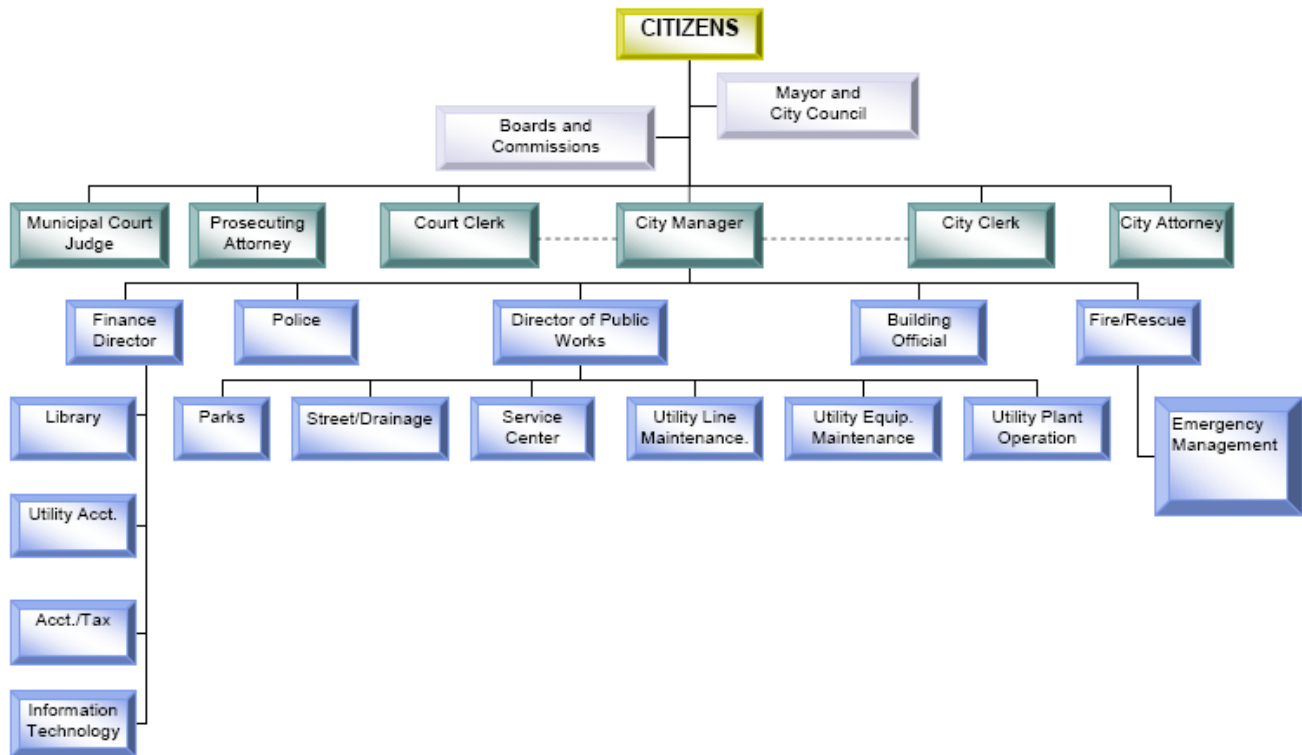
Linda C. Sandson

President

Jeffrey R. Enen

Executive Director

City of La Marque *Organizational Chart*



Revised: July 2010

CITY COUNCIL

BOBBY HOCKING
Mayor

KEITH BELL
Mayor Pro-Tem

CLENT BROWN
Councilman



Set your sites on La Marque.

JAMES OSTEN
Councilman

CONNIE TRUBE
Councilwoman

CAROL BUTTLER
City Manager

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Financial Section

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Independent Auditors' Report

The Honorable Mayor and
Members of the City Council
1111 Bayou Road
La Marque, Texas 77568-4299

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the City of La Marque, Texas (the "City") as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of La Marque's management. Our responsibility is to express opinions on these financial statements based on our audit.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of La Marque, Texas, as of September 30, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof and the budgetary comparison for the general fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control 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* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of funding progress on pages 7 to 15 and 81 to 82 be presented to supplement the basic financial statements. Such information, although not a required 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 operational, 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 obtained 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 of La Marque's financial statements as a whole. The combining and individual fund statements and schedules that include: combining financial statements for nonmajor governmental funds and internal service funds; individual fund annual budgetary comparison schedules; combined schedule of investments; schedule of changes in taxes receivable; combined schedule of bonds and other long-term debt; and, debt service requirements to maturity are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, and is also not a required part of the financial statements. The combining and individual fund statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections listed in the foregoing table of contents 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.

Null-Lairson, PC
Texas City, Texas
March 26, 2012

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Management's Discussion and Analysis

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CITY OF LA MARQUE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the Comprehensive Annual Financial Report, we present a narrative overview and analysis of the financial activities of the City of La Marque for the fiscal year ended September 30, 2011. Please read it in conjunction with the independent auditors' report, our letter of transmittal and the City's Basic Financial Statements.

FINANCIAL HIGHLIGHTS

- The assets of the City of La Marque exceeded its liabilities at the close of the most recent fiscal year by \$25,298,328 (*net assets*). Of this amount, \$4,492,114 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's net assets decreased by \$927,102 as a result of this year's operations.
- During the year, the City's government funds had expenditures that were \$2,783,601 more than the \$11,600,106 generated in tax and other revenues for governmental programs (before special items). This compares to last year when expenditures exceeded revenues by \$953,625. The current year expenditures in excess of revenues were due primarily to expenditures in the capital projects for public works as well as capital outlay expenditures in the general fund for public safety.
- As of the close of the current fiscal year, the City of La Marque's governmental funds reported combined ending fund balances of \$6,051,213, a decrease of \$2,145,165 in comparison with the prior year.
- The General Fund ended the year with a fund balance of \$1,590,526, which is \$868,071 less than the prior year.
- The resources available for appropriation were \$533,255 less than budgeted for the General Fund.
- City Council approved the purchase of a new Ambulance for the EMS division within the Fire Department. The ambulance was purchased for \$117,500 which was considerably less than the \$125,000 initially budgeted for the purchase.
- City Council approved the purchase of a new Fire Apparatus for the Fire Department, costing \$444,000 and was financed over a five (5) year period at a very low interest rate.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of La Marque's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary 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 of La Marque's finances, in a manner similar to a private-sector business.

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

CITY OF LA MARQUE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets 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 of the government-wide financial statements distinguish functions of the City of La Marque 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 user fees and charges (*business-type activities*). The governmental activities of the City of La Marque include general government, public safety, public works, sanitation and Urban Housing and Rehabilitation. The business-type activities of the City of La Marque include the Utility fund, Water and Sewer System Revenue fund and the Community Development Block Grant fund. The government-wide financial statements include not only the City of La Marque (the *primary government*), but also a legally separate Economic Development Corporation for which the City is financially accountable. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself.

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 of La Marque, 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 three categories: governmental funds, proprietary funds, and fiduciary funds.

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 the 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 of La Marque maintains sixteen 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 fund and capital projects fund which are considered to be major funds. Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of La Marque 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.

CITY OF LA MARQUE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Proprietary Funds. The City of La Marque maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of La Marque uses enterprise funds to account for its Utility fund, Water and Sewer System Revenue fund, CDBG Sewer Improvement fund, and CDGB Disaster Recovery fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of La Marque uses internal service funds to account for its equipment replacement and for its equipment maintenance insurance. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Utility Fund and for the Water and Sewer System Revenue and Interest and Sinking Funds, all of which are considered to be major funds of the City of La Marque. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of La Marque's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City of La Marque maintains one fiduciary fund, the Library Memorial Fund.

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.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of La Marque's progress in funding its obligation to provide pension benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information on pensions.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of La Marque, assets exceeded liabilities by \$25,298,328 at the close of the most recent fiscal year.

By far the largest portion of the City of La Marque's net assets (60 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related 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 of La Marque'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 capital assets themselves cannot be used to liquidate these liabilities.

CITY OF LA MARQUE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

City of La Marque's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Assets						
Current and other assets	\$ 8,868,403	\$ 11,769,452	\$ 5,277,067	\$ 4,596,730	\$ 14,145,470	\$ 16,366,182
Capital assets	15,837,752	14,588,895	14,466,380	13,678,981	30,304,132	28,267,876
Total assets	24,706,155	26,358,347	19,743,447	18,275,711	44,449,602	44,634,058
Liabilities						
Long-term liabilities	8,791,429	8,068,789	7,421,690	7,849,858	16,213,119	15,918,647
Other liabilities	1,626,916	2,205,428	1,311,239	667,382	2,938,155	2,872,810
Total liabilities	10,418,345	10,274,217	8,732,929	8,517,240	19,151,274	18,791,457
Net assets						
Invested in capital assets, net of related debt	9,205,445	8,753,379	6,058,353	6,157,984	15,263,798	14,911,363
Restricted	4,804,519	5,253,002	737,897	408,817	5,542,416	5,661,819
Unrestricted	277,846	2,077,750	4,214,268	3,191,670	4,492,114	5,269,420
Total net assets	\$ 14,287,810	\$ 16,084,131	\$ 11,010,518	\$ 9,758,471	\$ 25,298,328	\$ 25,842,602

An additional portion of the City of La Marque's net assets (21.6 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$4,492,114) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of La Marque had positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

There was an increase of \$329,080 in restricted net assets reported in connection with the City of La Marque's business-type activities resulting from a reduction in transfers in from the Utility Fund to cover revenue bond debt service payments.

The government's net assets decreased by \$927,102 during the current fiscal year due primarily to decreased sales tax revenue as well as an increase in expenses for public safety.

CITY OF LA MARQUE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

City of La Marque's Changes in Net Assets

City of La Marque's Changes in Net Assets						
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program revenues:						
Charges for services	\$ 2,964,021	\$ 3,089,384	\$ 4,488,898	\$ 4,114,624	\$ 7,452,919	\$ 7,204,008
Operating grants and contributions	1,622,102	3,448,907	1,311,663	41,596	2,933,765	3,490,503
General revenues:						
Property taxes	3,444,748	3,357,784			3,444,748	3,357,784
Other taxes	3,308,046	3,445,599			3,308,046	3,445,599
Unrestricted grants and contributions	2,141	2,221			2,141	2,221
Unrestricted investment earnings	9,903	13,523	3,534	3,210	13,437	16,733
Other revenue	250,024	305,611	27,925	2,514	277,949	308,125
Total revenues	11,600,985	13,663,029	5,832,020	4,161,944	17,433,005	17,824,973
Expenses						
General government	1,809,565	1,731,537			1,809,565	1,731,537
Public safety	6,071,570	5,402,425			6,071,570	5,402,425
Public works	2,397,789	2,675,651			2,397,789	2,675,651
Sanitation	1,386,553	1,351,656			1,386,553	1,351,656
Urban housing and rehabilitation	1,437,041	305,417			1,437,041	305,417
Interest on long-term debt	278,078	288,674			278,078	288,674
Business-type activity - Utility			4,690,697	4,522,486	4,690,697	4,522,486
Business-type activity - Water & sewer			272,960	277,661	272,960	277,661
Business-type activity - C.D.B.G. Sewer improvement			14,210	19,494	14,210	19,494
Business-type activity - C.D.B.G. Disaster recovery			1,644		1,644	
Total expenses	13,380,596	11,755,360	4,979,511	4,819,641	18,360,107	16,575,001
Increase (decrease) in net assets before transfers	(1,779,611)	1,907,669	852,509	(657,697)	(927,102)	1,249,972
Transfers	(16,710)	175,190	16,710	(175,190)		
Increase (decrease) in net assets	(1,796,321)	2,082,859	869,219	(832,887)	(927,102)	1,249,972
Net assets - October 1 (beginning)	16,084,131	13,899,782	9,758,471	10,591,341	25,842,602	24,491,123
Prior period adjustment		101,490	382,828	17	382,828	101,507
Net assets - Beginning (As restated)	16,084,131	14,001,272	10,141,299	10,591,358	26,225,430	24,592,630
Net assets - September 30 (ending)	\$ 14,287,810	\$ 16,084,131	\$ 11,010,518	\$ 9,758,471	\$ 25,298,328	\$ 25,842,602

Governmental Activities. Governmental activities decreased the City of La Marque's net assets by \$1,796,321. Business-type activities generated an increase of \$869,219 resulting in a combined net decrease of \$927,102. Key elements of this decrease are as follows:

- General government operating grants and contributions decreased \$1,826,805 (53.0 percent) due primarily to a decrease in intergovernmental revenue from Galveston County.
- Sales tax revenue decreased \$106,335 as compared to the prior year.
- Public safety expenses increased \$454,426 (8.4%) due to increased expenses related to personnel and repairs and maintenance of vehicles and equipment. In addition, there was an increase in the cost of fuel and utilities during the fiscal year.

CITY OF LA MARQUE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type Activities. Business-type activities increased the City of La Marque's net assets by \$869,219. Key elements of this increase are as follows:

- Charges for services for business-type activities were sufficient to cover operating expenses excluding depreciation of \$1,214,763.
- Charges for services increased from the prior year by \$374,274.
- Personnel services increased by \$55,455 as compared to the prior year.
- Supplies increased over the prior year by \$75,354.
- The compensated absences expense increased \$6,612 and depreciation expense decreased \$35,476 as compared to the prior year.

Financial Analysis of the Government's Funds

The City of La Marque uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of La Marque'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, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of La Marque's governmental funds reported combined ending fund balances of \$6,051,213, a decrease of \$2,145,165 as compared to the prior year. *Unassigned fund balance*, which is available for spending at the government's discretion, totaled \$1,500,523. The remainder of fund balance is classified in accordance with GASB Statement No. 54 and is not available for new spending. *Non-spendable* fund balances include 1) inventory (\$47,665) and 2) prepaid expenditures (\$2,338). Fund balances have been *restricted* for 3) capital projects (\$2,639,826), 4) debt service (\$826,712), 5) federal grants (\$49,127), 6) general government (\$825,499), 7) public safety (\$41,798) and public works (\$77,725). In addition, fund balance in the amount of \$40,000 has been *assigned* for self-insurance.

The general fund is the chief operating fund of the City of La Marque. At the end of the current fiscal year, *unassigned fund balance* amounted to \$1,500,523, while total fund balance amounted to \$1,590,526. 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 14.45 percent of total general fund expenditures, while total fund balance represents 15.31 percent of that same amount.

The fund balance of the City of La Marque's general fund decreased by \$868,071 during the current fiscal year. Key factors in this decline are as follows:

- Intergovernmental revenue decreased \$257,355 attributable to reimbursements in the prior fiscal year for the Emergency Watershed Protection Program in the amount of \$157,099 and FEMA reimbursements in the amount of \$90,713 related to Hurricane Ike.
- Property tax revenues increased over the prior year by \$143,565 as the result of an increase of 2.5% in the collection rate. This increase was offset by a decrease in sales tax revenues of \$106,335, primarily as a result of a decline in retail sales related to the declining economy during the fiscal year.
- Charges for services decreased \$75,323 primarily attributable to revenue received in the prior fiscal year for demolition projects that were completed during that period.

The capital projects fund ended the year with a fund balance of \$2,639,826, a decrease of \$1,323,559. This decrease is due to capital project for street improvements that were completed during the fiscal year.

CITY OF LA MARQUE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

The debt service fund has a total fund balance of \$826,712 , all of which is reserved for debt service. The net increase in fund balance during the current year in the debt service fund was \$123,705.

Proprietary Funds. The City of La Marque's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail.

Unrestricted net assets of the Utility Fund at the end of the year totaled \$3,276,156 and total net assets were \$9,335,478. The Water and Sewer System Revenue Fund net assets totaled \$357,112 and the Community Development Block Grant Fund ended the year with \$275,128 in net assets. The total change in net assets for these funds was an increase of \$112,651 in the Utility fund (comprised of a net loss of \$270,177 and a prior period adjustment of \$382,828), a decrease of \$156,413 in the Water & Sewer System Revenue Fund, an increase of \$253,009 in the CDBG Sewer Improvement Fund and an increase of \$1,042,800 in the CDGB Disaster Recovery Fund. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of La Marque's business-type activities.

General Fund Budgetary Highlights

During the year, revenues were less than budgetary estimates as explained below.

The general fund had a negative revenue variance of final budget to actual of \$533,255 due to revenue shortfalls as follows:

- Property taxes \$113,466
- Sales taxes \$138,002
- Gross receipts taxes \$36,704
- Other taxes \$10,165
- Intergovernmental revenue \$34,856
- Licenses and permits \$53,594
- Fines and forfeitures \$207,864
- Investment earnings \$22,154

The general fund had a negative expenditure variance of final budget to actual on a departmental level for sanitation in the amount of \$141,690 and capital outlay in the amount of \$394,674.

Capital Assets and Debt Administration

Capital Assets. The City of La Marque's investment in capital assets for its governmental and business type activities as of September 30, 2011, amounts to \$30,304,132 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, vehicles, machinery and equipment, furniture and office equipment and construction in progress. The total increase in the City of La Marque's investment in capital assets for the current fiscal year was 7.2 percent.

CITY OF LA MARQUE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Major capital assets acquired during the current fiscal year included the following:

- Construction in progress as of the close of the fiscal year totaled \$1,317,911 for water and sewer system improvements.
- A Fire truck was purchased at a cost of \$444,000 and an ambulance at a cost of \$117,500.
- Three patrol vehicles were purchased at a total cost of \$89,472.
- Street improvements totaled \$1,467,292.

City of La Marque's Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 210,370	\$ 210,370	\$ 209,774	\$ 209,774	\$ 420,144	\$ 420,144
Buildings and improvements	1,085,658	1,150,245	19,493	22,472	1,105,151	1,172,717
Improvements other than buildings	12,556,228	11,706,889	12,634,343	13,072,786	25,190,571	24,779,675
Vehicles	1,020,191	495,914	71,042	90,930	1,091,233	586,844
Machinery and equipment	921,752	948,711	31,817	52,917	953,569	1,001,628
Furniture and office equipment	43,553	76,766			43,553	76,766
Equipment under capital lease			182,000	208,000	182,000	208,000
Construction in progress			1,317,911	22,102	1,317,911	22,102
	<u>\$ 15,837,752</u>	<u>\$ 14,588,895</u>	<u>\$ 14,466,380</u>	<u>\$ 13,678,981</u>	<u>\$ 30,304,132</u>	<u>\$ 28,267,876</u>

Additional information on the City of La Marque's capital assets can be found in note IV.D of this report.

Long-term Debt. At the end of the current fiscal year, the City of La Marque had total bonded debt outstanding of \$13,329,270. Of this amount, \$6,280,000 comprises debt backed by the full faith and credit of the government. The remainder of the City of La Marque's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

City of La Marque's Outstanding Debt
Certificates of Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Certificates of obligation	\$ 6,280,000	\$ 6,500,000			\$ 6,280,000	\$ 6,500,000
Revenue bonds and long-term contracts			7,049,270	7,450,000	7,049,270	7,450,000
	<u>\$ 6,280,000</u>	<u>\$ 6,500,000</u>	<u>\$ 7,049,270</u>	<u>\$ 7,450,000</u>	<u>\$ 13,329,270</u>	<u>\$ 13,950,000</u>

The City of La Marque's total debt decreased by \$620,730 (4.4 percent) during the current fiscal year due to principal payments made on existing debt.

Although there is no legal debt limit in Texas, most municipal finance officers in the state hold the opinion that the Attorney General would not approve bonded indebtedness in excess of 10% of assessed value. The current debt limitation for the City of La Marque is \$73,257,836, which is significantly in excess of the City of La Marque's outstanding debt.

Additional information on the City of La Marque's long-term debt can be found in note IV.G of this report.

CITY OF LA MARQUE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic Factors and Next Year's Budgets and Rates

- During the 2010/2011 fiscal year, the City of La Marque experienced an increase of 9.7% in property tax revenue due to a 2.5% increase in collection rates.
- The unemployment rate for the City of La Marque is 8.5 percent. This is slightly higher than the state's average unemployment rate of 7.3 percent as well as the national average rate of 8.3 percent.
- Sales tax collections for the governmental funds decreased 4.5% in the current fiscal year due to sluggish retail sales in the geographic area.
- The La Marque Clean City Commission continues to make a positive difference throughout the City. Efforts are being made to hire additional Code Enforcement Officers to identify and ticket those who are not cleaning their yards, have structures in disrepair and other City code violations which detract from the City's inherent beauty.
- La Marque Economic Development Corporation finds the outlook of retail development is beginning to show signs of improvement. Developers and retailers are considering land acquisition or expansions in order to take advantage of depressed construction costs.

These factors were considered in preparing the City of La Marque's budget for the 2012 fiscal year.

The City of La Marque's tax rate for the 2011 fiscal year budget was maintained at the 2011 rate of \$.51436 per \$100 assessed value.

Requests for Information

This financial report is designed to provide a general overview of the City of La Marque's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 1111 Bayou Road, La Marque, Texas 77568.



Set your sites on La Marque.

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Basic Financial Statements



Set your sites on La Marque.

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CITY OF LA MARQUE, TEXAS
STATEMENT OF NET ASSETS
For The Year Ended Sempter 30, 2011

Exhibit A-1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	La Marque E.D.C.
Assets				
Current assets:				
Cash and cash equivalents	\$ 1,071,217	\$ 842,962	\$ 1,914,179	\$ 1,303,138
Investments	6,873,498	2,479,972	9,353,470	2,613,217
Property taxes receivable, net of allowance for doubtful accounts	587,736		587,736	
Other taxes receivable	709,652		709,652	131,911
Customer receivables, net of allowance for doubtful accounts	290,661	527,159	817,820	
Other receivables	122,625	95,017	217,642	735
Internal balances	(929,973)	(9,577)	(939,550)	939,550
Due from other governments	1,291	579,828	581,119	
Inventories	47,665		47,665	1,603,142
Prepaid items	2,338		2,338	
Deferred charges	91,693	134,507	226,200	
Restricted assets:				
Cash and cash equivalents				
Investments		627,199	627,199	
Capital assets (net of accumulated depreciation):				
Land	210,370	209,774	420,144	
Buildings and improvements	1,085,658	19,493	1,105,151	
Improvements other than buildings	12,556,228	12,634,343	25,190,571	107,250
Vehicles	1,020,191	71,042	1,091,233	
Machinery and equipment	921,752	31,817	953,569	
Furniture and office equipment	43,553		43,553	
Equipment under capital lease		182,000	182,000	
Construction in progress		1,317,911	1,317,911	
Total assets	24,706,155	19,743,447	44,449,602	6,698,943
Liabilities				
Accounts payable	1,225,749	860,655	2,086,404	2,534
Accrued expenses	282,323	23,811	306,134	
Interest payable	20,698	19,168	39,866	
Due to other governments	96,620		96,620	
Unearned revenue	1,526		1,526	
Liabilities payable from restricted assets		407,605	407,605	
Noncurrent liabilities:				
Due within one year	722,727	873,239	1,595,966	
Due in more than one year	8,068,702	6,548,451	14,617,153	
Total liabilities	10,418,345	8,732,929	19,151,274	2,534
Net Assets				
Invested in capital assets, net of related debt	9,205,445	6,058,353	15,263,798	
Restricted for capital projects	2,639,826		2,639,826	
Restricted for debt service	1,176,091	737,897	1,913,988	
Restricted for federal/state grants	49,127		49,127	
Restricted for general government	825,499		825,499	
Restricted for public safety	36,251		36,251	
Restricted for public works	77,725		77,725	
Unrestricted	277,846	4,214,268	4,492,114	6,696,409
Total net assets	\$ 14,287,810	\$ 11,010,518	\$ 25,298,328	\$ 6,696,409

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

CITY OF LA MARQUE, TEXAS

STATEMENT OF ACTIVITIES

For The Year Ended September 30, 2011

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions
Primary government			
Governmental activities:			
General government	\$ 1,809,565	\$ 63,636	\$ 6,592
Public safety	6,071,570	1,340,225	118,163
Public works	2,397,789	12,822	156,192
Sanitation	1,386,553	1,547,338	
Urban housing and rehabilitation	1,437,041		1,341,155
Interest on long-term debt	278,078		
Total governmental activities	13,380,596	2,964,021	1,622,102
Business-type activities:			
Enterprise fund - Utility	4,690,697	4,488,898	
Enterprise fund - Water and sewer	272,960		
Enterprise fund - C.D.B.G. sewer	14,210		267,219
Enterprise fund - C.D.B.G. disaster recovery	1,644		1,044,444
Total business-type activities	4,979,511	4,488,898	1,311,663
Total primary government	\$ 18,360,107	\$ 7,452,919	\$ 2,933,765
Component Unit - La Marque E.D.C.	\$ 351,693	\$	\$

General revenues:

Property taxes levied for general purposes
Property taxes levied for special purposes
Sales taxes
Gross receipts taxes
Hotel/Motel taxes
Other taxes
Unrestricted grants and contributions
Unrestricted investment earnings
Other revenue

Transfers

Total general revenues and transfers

Change in net assets

Net assets - beginning

Prior period adjustment

Net assets - beginning (As restated)

Net assets - ending

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

Exhibit A-2

Primary Government			Component Unit La Marque E.D.C.
Governmental Activities	Business-type Activities	Total	Total
\$ (1,739,337)	\$	\$ (1,739,337)	\$
(4,613,182)		(4,613,182)	
(2,228,775)		(2,228,775)	
160,785		160,785	
(95,886)		(95,886)	
(278,078)		(278,078)	
(8,794,473)		(8,794,473)	
	(201,799)	(201,799)	
	(272,960)	(272,960)	
	253,009	253,009	
	1,042,800	1,042,800	
	821,050	821,050	
(8,794,473)	821,050	(7,973,423)	
			(351,693)
2,539,564		2,539,564	
905,184		905,184	
2,267,498		2,267,498	755,833
846,296		846,296	
93,417		93,417	
100,835		100,835	
2,141		2,141	
9,903	3,534	13,437	6,643
250,024	27,925	277,949	110,000
(16,710)	16,710		
6,998,152	48,169	7,046,321	872,476
(1,796,321)	869,219	(927,102)	520,783
16,084,131	9,758,471	25,842,602	6,175,626
	382,828	382,828	
16,084,131	10,141,299	26,225,430	6,175,626
\$ 14,287,810	\$ 11,010,518	\$ 25,298,328	\$ 6,696,409

CITY OF LA MARQUE, TEXAS

Exhibit B-1

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2011

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 29,966	\$ 28,106	\$ 982,860	\$ 1,040,932
Investments	642,592	4,358,224	908,205	5,909,021
Property taxes receivable, net	479,294		108,442	587,736
Other taxes receivable, net	693,657		15,995	709,652
Due from other funds	287,713	16,000	85,124	388,837
Due from other governments			1,291	1,291
Due from customers, net	290,661			290,661
Other receivables, net	122,625			122,625
Inventories	47,665			47,665
Prepaid expenditures	2,338			2,338
Total assets	\$ 2,596,511	\$ 4,402,330	\$ 2,101,917	\$ 9,100,758
Liabilities				
Accounts payable	\$ 431,639	\$ 714,383	\$ 88,582	\$ 1,234,604
Accrued expenditures	259,049		4,763	263,812
Due to other funds		1,048,121	46,689	1,094,810
Deferred revenue	291,090		59,295	350,385
Bail bonds payable	9,314			9,314
Total liabilities	1,005,985	1,762,504	281,056	3,049,545
Fund Balance				
Non-spendable				
Inventory	47,665			47,665
Prepaid expenditures	2,338			2,338
Restricted				
Capital projects		2,639,826		2,639,826
Debt service			826,712	826,712
Federal/State grants			49,127	49,127
General government			825,499	825,499
Public safety			41,798	41,798
Public works			77,725	77,725
Assigned				
Other assigned	40,000			40,000
Unassigned	1,500,523			1,500,523
Total fund balance	1,590,526	2,639,826	1,820,861	6,051,213
Total liabilities and fund balances	\$ 2,596,511	\$ 4,402,330	\$ 2,101,917	\$ 9,100,758

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

CITY OF LA MARQUE, TEXAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET ASSETS
September 30, 2011

Exhibit B-2

Total fund balances - Governmental funds		\$ 6,051,213
1 The City uses internal service funds to charge the costs of certain activities, such as equipment maintenance insurance to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. The net effect of this consolidation is to increase net assets.		770,420
2 Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Fund Financial Statements, but are reported in the governmental activities of the Statement of Net Assets.		
Capital assets	\$35,226,525	
Accumulated depreciation	<u>(19,388,773)</u>	15,837,752
3 Long-term liabilities are not due and payable in the current period and are not included in the Fund Financial Statements, but are included in the governmental activities of the Statement of Net Assets.		
General obligation bonds, certificates of obligation, etc.	\$ (6,280,000)	
Supplemental annuities payable	(145,822)	
Net OPEB payable	(1,096,328)	
Capital lease payable	(444,000)	
Compensated absences payable	<u>(825,279)</u>	(8,791,429)
4 Accrued interest on debt in excess of the amount recorded in the debt service fund		(20,698)
5 Deferred revenues recorded as revenue in the Statement of Net Assets		348,859
6 Unamortized bond issuance costs, premiums and losses on refunding bonds, in the Statement of Net Assets not in the Fund Financial Statements		<u>91,693</u>
Net assets of governmental activities		<u>\$ 14,287,810</u>

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

CITY OF LA MARQUE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2011

Exhibit B-3

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes:				
Property	\$ 2,541,534	\$	\$ 904,223	\$ 3,445,757
Sales	2,267,498			2,267,498
Gross receipts	846,296			846,296
Other	100,835		93,417	194,252
Licenses and permits	288,956			288,956
Intergovernmental revenue	24,694	135,651	1,453,864	1,614,209
Charges for services	2,021,458			2,021,458
Fines and forfeitures	604,686			604,686
Investment earnings	1,046	5,643	1,604	8,293
Reimbursement from component unit	110,300			110,300
Other revenue	32,735	2,439	163,227	198,401
Total revenues	8,840,038	143,733	2,616,335	11,600,106
Expenditures				
Current:				
General government:	1,556,723		183,078	1,739,801
Public safety	5,361,946		80,035	5,441,981
Public works	1,365,525		267,868	1,633,393
Sanitation	1,384,690			1,384,690
Urban rehabilitation and housing			1,437,041	1,437,041
Debt service:				
Principal on long-term debt			246,050	246,050
Interest and fiscal charges			274,356	274,356
Capital outlay:				
Public safety	717,986		41,117	759,103
Public works		1,467,292		1,467,292
Total expenditures	10,386,870	1,467,292	2,529,545	14,383,707
Excess (Deficiency) of revenues over (under) expenditures	(1,546,832)	(1,323,559)	86,790	(2,783,601)
Other Financing Sources (Uses)				
Transfer in	254,436		4,675	259,111
Transfers (out)	(19,675)		(45,000)	(64,675)
Proceeds from capital leases	444,000			444,000
Total other financing sources (uses)	678,761		(40,325)	638,436
Net change in fund balances	(868,071)	(1,323,559)	46,465	(2,145,165)
Fund balances - October 1 (Beginning)	2,458,597	3,963,385	1,774,396	8,196,378
Fund balances - September 30 (Ending)	\$ 1,590,526	\$ 2,639,826	\$ 1,820,861	\$ 6,051,213

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

CITY OF LA MARQUE, TEXAS**Exhibit B-4****RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES****September 30, 2011**

Total net change in fund balances - Governmental funds		\$ (2,145,165)
1 The City uses internal service funds to charge the costs of certain activities, such as equipment maintenance insurance to appropriate functions in other funds. The income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to decrease net assets.		(172,642)
2 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.		
Capital outlays moved to capital asset additions	\$ 2,220,848	
Depreciation expense recorded for the year	<u>(971,991)</u>	
Net adjustment to increase (decrease) in governmental fund balances to arrive at the change in net assets for governmental activities		1,248,857
3 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.		
Property taxes net adjustment to the accrual basis		(1,009)
4 Proceeds from long-term debt issued increase long-term liabilities in the Statement of Net Assets but are considered other sources in the governmental fund financial statements		
Capital lease	<u>\$ (444,000)</u>	(444,000)
5 Governmental funds report the repayment of principal on long-term debt as an expenditure. In contrast, the Statement of Activities treats such repayments as reductions in long-term liabilities.		
Principal payments on long-term debt (certificates of obligation)	\$ 220,000	
Payment of supplemental annuities for retirees	<u>26,050</u>	246,050
6 Some expenses reported in the Statement of Activities do not require the use of current financial resources and are therefore not reported as expenditures in the Fund Financial Statements:		
Change in other post employment benefits obligation		(266,195)
Change in accrued interest payable		1,201
Change in compensated absences payable		39,249
Amortization of issuance costs, premiums and refunding losses not recorded in the Fund Financial Statements but recorded in the Statement of Activities		<u>(4,923)</u>
Change in net assets of governmental activities		<u>\$ (1,498,577)</u>

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

CITY OF LA MARQUE, TEXAS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended September 30, 2011

Exhibit B-5
Page 1 of 2

	Budgeted Amounts			Variance With Final Budget (Negative)
	Original	Final	Actual	
Revenues				
Taxes:				
Property	\$2,655,000	\$ 2,655,000	\$ 2,541,534	\$ (113,466)
Sales	2,405,500	2,405,500	2,267,498	(138,002)
Gross receipts	883,000	883,000	846,296	(36,704)
Other	111,000	111,000	100,835	(10,165)
Licenses and permits	342,550	342,550	288,956	(53,594)
Intergovernmental revenue	59,550	59,550	24,694	(34,856)
Charges for services	1,950,060	1,950,060	2,021,458	71,398
Fines and forfeitures	812,550	812,550	604,686	(207,864)
Investment earnings	23,200	23,200	1,046	(22,154)
Reimbursement from component unit	110,300	110,300	110,300	
Other revenue	20,583	20,583	32,735	12,152
Total revenues	9,373,293	9,373,293	8,840,038	(533,255)
Expenditures				
Current:				
General government:				
General	394,453	394,453	369,611	24,842
City Manager	364,118	364,118	317,939	46,179
City Council	29,500	29,500	23,986	5,514
Finance and tax	405,286	405,286	423,623	(18,337)
Data processing	106,477	106,477	123,386	(16,909)
Library	305,489	305,489	291,818	13,671
Contingency	6,360	6,360	6,360	
Total general government	1,611,683	1,611,683	1,556,723	54,960
Public safety:				
Police	3,004,413	3,004,413	2,972,621	31,792
Judicial	334,063	334,063	279,580	54,483
Fire	1,749,271	1,749,271	1,731,117	18,154
Fire Marshal	86,172	86,172	71,909	14,263
Inspection	287,868	287,868	206,498	81,370
Emergency management	18,300	18,300	37,768	(19,468)
Animal control	62,450	62,450	62,453	(3)
Total public safety	5,542,537	5,542,537	5,361,946	180,591
Public works:				
Administration	66,644	66,644	64,455	2,189
Shop service facility	165,369	165,369	150,879	14,490
Streets and highways	1,048,496	1,048,496	1,021,099	27,397
Parks and recreation	146,155	146,155	129,092	17,063
Total public works	1,426,664	1,426,664	1,365,525	61,139
Sanitation	1,243,000	1,243,000	1,384,690	(141,690)

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

CITY OF LA MARQUE, TEXAS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended September 30, 2011

Exhibit B-5
Page 2 of 2

	<u>Budgeted Amounts</u>			<u>Variance With Final Budget (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Expenditures (Continued)				
Capital outlay:				
Public Safety	\$ 314,765	\$ 314,765	\$ 717,986	\$ (403,221)
Public Works	3,000	3,000		3,000
Total capital outlay	<u>317,765</u>	<u>317,765</u>	<u>717,986</u>	<u>(400,221)</u>
Total expenditures	<u>10,141,649</u>	<u>10,141,649</u>	<u>10,386,870</u>	<u>(245,221)</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(768,356)</u>	<u>(768,356)</u>	<u>(1,546,832)</u>	<u>(778,476)</u>
Other Financing Sources (Uses)				
Transfer in	258,436	258,436	254,436	(4,000)
Transfers (out)	(15,000)	(15,000)	(19,675)	(4,675)
Proceeds from capital leases	324,764	324,764	444,000	119,236
Total other financing sources (uses)	<u>568,200</u>	<u>568,200</u>	<u>678,761</u>	<u>110,561</u>
Net change in fund balances	(200,156)	(200,156)	(868,071)	(667,915)
Fund balances - Beginning	<u>2,458,597</u>	<u>2,458,597</u>	<u>2,458,597</u>	
Fund balances - Ending	<u>\$2,258,441</u>	<u>\$ 2,258,441</u>	<u>\$ 1,590,526</u>	<u>\$ (667,915)</u>

CITY OF LA MARQUE, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2011

	<u>Utility</u>	<u>Water and Sewer System Revenue</u>	<u>CDBG Sewer Improvement Program</u>
Assets			
Current assets:			
Unrestricted:			
Cash and cash equivalents	\$ 416,068	\$	\$
Investments	2,215,155		
Due from other funds	924,652		
Due from other governments			70,870
Due from customers, net of allowance for doubtful accounts	527,159		
Miscellaneous receivables	95,017		
Restricted:			
Cash and cash equivalents:			
Customer deposits	407,605		
Revenue bond debt service			
Investments:			
Revenue bond debt service	515,892		
Water and sewer system reserve		260,206	
Total current assets	<u>5,101,548</u>	<u>260,206</u>	<u>70,870</u>
Noncurrent assets:			
Restricted assets:			
Restricted investments:			
Revenue bond debt service	108,773		
Plant and lines reserve	3,463		
Meter replacement reserve	3,682		
Total restricted assets	<u>115,918</u>		
Deferred charges, net of accumulated amortization	<u>88,198</u>	<u>46,309</u>	
Capital assets:			
Land	209,774		
Buildings and structures	116,805		
Other improvements	29,688,932	4,824,765	
Machinery and equipment	684,879		
Motor vehicles	1,169,987		
Construction in progress			275,111
Leased assets under capital lease	260,000		
Less accumulated depreciation	<u>(22,252,782)</u>	<u>(1,553,891)</u>	
Total capital assets, net of accumulated depreciation	<u>9,877,595</u>	<u>3,270,874</u>	<u>275,111</u>
Total noncurrent assets	<u>10,081,711</u>	<u>3,317,183</u>	<u>275,111</u>
Total assets	<u>15,183,259</u>	<u>3,577,389</u>	<u>345,981</u>

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

Exhibit C-1
Page 1 of 2

CDBG Disaster Recovery Program	Total Proprietary Funds	Governmental Activities - Internal Service Funds
\$ 19,289	\$ 435,357	\$ 30,285
	2,215,155	964,477
1,303	925,955	
508,958	579,828	
	527,159	
	95,017	
	407,605	
	515,892	
	260,206	
<u>529,550</u>	<u>5,962,174</u>	<u>994,762</u>
	108,773	
	3,463	
	3,682	
	<u>115,918</u>	
	134,507	
	209,774	
	116,805	
	34,513,697	
	684,879	
	1,169,987	
1,042,800	1,317,911	
	260,000	
	(23,806,673)	
<u>1,042,800</u>	<u>14,466,380</u>	
<u>1,042,800</u>	<u>14,716,805</u>	
<u>1,572,350</u>	<u>20,678,979</u>	<u>994,762</u>

CITY OF LA MARQUE, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2011

	<u>Utility</u>	<u>Water and Sewer System Revenue</u>	<u>CDBG Sewer Improvement Program</u>
Liabilities			
Current liabilities:			
Accounts payable	\$ 331,105	\$	\$
Accrued expenses	23,811		
Interest payable	11,811	7,357	
Accrued compensated absences	51,405		
Note payable - capital lease	35,942		
Due to other funds	246,759	617,920	70,853
	<u>700,833</u>	<u>625,277</u>	<u>70,853</u>
Current liabilities payable from restricted assets:			
Customer deposits payable	407,605		
Revenue bonds payable	515,892	270,000	
	<u>923,497</u>	<u>270,000</u>	
Total current liabilities	<u>1,624,330</u>	<u>895,277</u>	<u>70,853</u>
Noncurrent liabilities:			
Accrued compensated absences	142,728		
Revenue bonds payable	3,938,378	2,325,000	
Note payable - capital lease	142,345		
Total noncurrent liabilities	<u>4,223,451</u>	<u>2,325,000</u>	
Total liabilities	<u>5,847,781</u>	<u>3,220,277</u>	<u>70,853</u>
Net Assets			
Invested in capital assets, net of related debt	5,321,425	714,826	275,111
Restricted for debt service	737,897		
Unrestricted	3,276,156	(357,714)	17
Total net assets	<u>\$ 9,335,478</u>	<u>\$ 357,112</u>	<u>\$ 275,128</u>

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

Exhibit C-1
Page 2 of 2

CDBG Disaster Recovery Program	Total Proprietary Funds	Governmental Activities - Internal Service Funds
\$ 529,550	\$ 860,655	\$ 342
	23,811	
	19,168	
	51,405	
	35,942	
	935,532	224,000
<u>529,550</u>	<u>1,926,513</u>	<u>224,342</u>
	407,605	
	785,892	
	<u>1,193,497</u>	
<u>529,550</u>	<u>3,120,010</u>	<u>224,342</u>
	142,728	
	6,263,378	
	<u>142,345</u>	
	<u>6,548,451</u>	
<u>529,550</u>	<u>9,668,461</u>	<u>224,342</u>
1,042,800	7,354,162	
	737,897	
	2,918,459	770,420
<u>\$ 1,042,800</u>	<u>\$ 11,010,518</u>	<u>\$ 770,420</u>

CITY OF LA MARQUE, TEXAS**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS****PROPRIETARY FUNDS***For The Year Ended September 30, 2011*

	Utility	Water and Sewer System Revenue	CDBG Sewer Improvement Program
Operating revenues			
Charges for services	\$ 4,159,381	\$	\$
Total operating revenues	<u>4,159,381</u>		
Operating expenses			
Personnel services	1,144,125		
Supplies	258,003		
Maintenance and repairs	537,705		
Miscellaneous services	142,591		14,210
Utilities	366,836		
Purchased water	876,550		
Depreciation	1,052,030	162,733	
Compensated absences expense	35,576		
Total operating expenses	<u>4,413,416</u>	<u>162,733</u>	<u>14,210</u>
Operating income	<u>(254,035)</u>	<u>(162,733)</u>	<u>(14,210)</u>
Non-operating revenues (expenses)			
Intergovernmental revenue			267,219
Miscellaneous revenue	357,442		
Investment earnings	3,456	78	
Interest expense and fiscal charges	(261,561)	(103,408)	
Amortization of deferred expenses	(14,880)	(6,819)	
Contingencies	(840)		
Total non-operating revenues (expenses)	<u>83,617</u>	<u>(110,149)</u>	<u>267,219</u>
Income before contributions and transfers	<u>(170,418)</u>	<u>(272,882)</u>	<u>253,009</u>
Contributions and transfers			
Transfer in	1,047,708	364,090	
Transfers (out)	(1,147,467)	(247,621)	
Total contributions and transfers	<u>(99,759)</u>	<u>116,469</u>	
Change in net assets	<u>(270,177)</u>	<u>(156,413)</u>	<u>253,009</u>
Total net assets - Beginning	<u>9,222,827</u>	<u>513,525</u>	<u>22,119</u>
Prior period adjustment	382,828		
Net Assets - Beginning (As restated)	<u>9,605,655</u>	<u>513,525</u>	<u>22,119</u>
Total net assets - Ending	<u>\$ 9,335,478</u>	<u>\$ 357,112</u>	<u>\$ 275,128</u>

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

Exhibit C-2

CDBG Disaster Recovery Program	Total Proprietary Funds	Governmental Activities - Internal Service Funds
\$	\$ 4,159,381	\$ 45,392
	4,159,381	45,392
	1,144,125	
	258,003	
1,644	539,349	
	156,801	8,498
	366,836	
	876,550	
	1,214,763	
	35,576	
1,644	4,592,003	8,498
(1,644)	(432,622)	36,894
1,044,444	1,311,663	
	357,442	
	3,534	1,610
	(364,969)	
	(21,699)	
	(840)	
1,044,444	1,285,131	1,610
1,042,800	852,509	38,504
	1,411,798	15,690
	(1,395,088)	(226,836)
	16,710	(211,146)
1,042,800	869,219	(172,642)
	9,758,471	943,062
	382,828	
	10,141,299	943,062
\$ 1,042,800	\$ 11,010,518	\$ 770,420

CITY OF LA MARQUE, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For The Year Ended September 30, 2011

	Utility	Water and Sewer System Revenue	CDBG Sewer Improvement Program
Cash flows from operating activities:			
Cash received from customers	\$ 4,383,551	\$	\$
Cash paid to suppliers for goods and services	(2,048,964)		(25,570)
Cash paid to employees for services	(1,173,089)		
Federal assistance			237,945
Net cash provided by operating activities	1,161,498		212,375
Cash flows from non-capital financing activities:			
Transfers in	1,047,708	364,090	
Transfers (out)	(1,147,467)	(247,621)	
Interfund cash payments	(463,445)		
Interfund cash receipts	39,710	247,637	39,853
Net cash used for non-capital financing activities	(523,494)	364,106	39,853
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(144,047)		(253,009)
Principal paid on bond maturities	(315,000)	(260,000)	
Interest and fiscal charges paid on bonds	(253,121)	(104,074)	
Principal paid on capital lease	(34,050)		
Net cash from capital and related financing activities	(746,218)	(364,074)	(253,009)
Cash flows from investing activities:			
Purchase of investments	(27,024)	(94)	
Interest received from investments		78	
Net cash from investing activities	(27,024)	(16)	
Net increase (decrease) in cash and cash equivalents	(135,238)	16	(781)
Cash and cash equivalents, beginning of year	958,911	(16)	781
Cash and cash equivalents, end of year	\$ 823,673	\$	\$
Unrestricted cash	\$ 416,068	\$	\$
Restricted cash	407,605		
Total	\$ 823,673	\$	\$

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

Exhibit C-3
Page 1 of 2

CDBG Disaster Recovery Program	Total Proprietary Funds	Governmental Activities - Internal ServiceFunds
\$	\$ 4,383,551	\$ 45,392
(1,644)	(2,076,178)	(9,228)
	(1,173,089)	
535,486	773,431	
<u>533,842</u>	<u>1,907,715</u>	<u>36,164</u>
	1,411,798	15,690
	(1,395,088)	(226,836)
(1,303)	(464,748)	182,000
	327,200	
<u>(1,303)</u>	<u>(120,838)</u>	<u>(29,146)</u>
(513,250)	(910,306)	
	(575,000)	
	(357,195)	
	(34,050)	
<u>(513,250)</u>	<u>(1,876,551)</u>	
	(27,118)	(1,610)
	78	1,610
	<u>(27,040)</u>	
19,289	(116,714)	7,018
	959,676	23,267
<u>\$ 19,289</u>	<u>\$ 842,962</u>	<u>\$ 30,285</u>
\$ 19,289	\$ 435,357	\$ 30,285
	407,605	
<u>\$ 19,289</u>	<u>\$ 842,962</u>	<u>\$ 30,285</u>

CITY OF LA MARQUE, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For The Year Ended September 30, 2011

	<u>Utility</u>	<u>Water and Sewer System Revenue</u>	<u>CDBG Sewer Improvement Program</u>
Reconciliation of net operating income to net cash provided by operating activities:			
Net operating income (loss)	<u>\$ (254,035)</u>	<u>\$ (162,733)</u>	<u>\$ (14,210)</u>
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:			
Depreciation	1,052,030	162,733	
Non-operating income (expense)	356,602		267,219
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(137,228)		(29,274)
Increase (decrease) in accrued expenditures	578		
Increase (decrease) in accounts payable	132,143		(11,360)
Increase (decrease) in compensated absences	6,612		
Increase (decrease) in customer deposits	4,796		
Total adjustments	<u>1,415,533</u>	<u>162,733</u>	<u>226,585</u>
Net cash provided by operating activities	<u>\$ 1,161,498</u>	<u>\$</u>	<u>\$ 212,375</u>
Non-cash transactions:			
Depreciation	\$ 1,052,030	\$ 162,733	\$
Amortization of deferred expenditures	14,880	6,819	
Deferred debt issuance costs	88,198	46,309	

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

Exhibit C-3
Page 2 of 2

CDBG Disaster Recovery Program	Total Proprietary Funds	Governmental Activities - Internal Service Funds
<u>\$ (1,644)</u>	<u>\$ (432,622)</u>	<u>\$ 36,894</u>
	1,214,763	
1,044,444	1,668,265	
(508,958)	(675,460)	
	578	
	120,783	(730)
	6,612	
	4,796	
<u>535,486</u>	<u>2,340,337</u>	<u>(730)</u>
<u>\$ 533,842</u>	<u>\$ 1,907,715</u>	<u>\$ 36,164</u>
\$	\$ 1,214,763	\$
	21,699	
	134,507	

CITY OF LA MARQUE, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
September 30, 2011

Exhibit D-1

	Library Memorial
Assets	
Cash and cash equivalents	\$ 1,313
Total assets	<u>1,313</u>
Net Assets	
Unrestricted	1,313
Total net assets	<u><u>\$ 1,313</u></u>

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

DRAFT

CITY OF LA MARQUE, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Year Ended September 30, 2011

Exhibit D-2

	Library Memorial
Additions	
Contributions from the public	\$ 509
Total additions	<u>509</u>
Deductions	
Purchase of library books	614
Total deductions	<u>614</u>
Change in net assets	(105)
Net assets - Beginning	<u>1,418</u>
Net assets - Ending	<u><u>\$ 1,313</u></u>

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

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Set your sites on La Marque.

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I. Summary of Significant Accounting Policies

The City of La Marque (the “City”) is a municipality operating under the applicable laws and regulations of the State of Texas. The City prepares its basic financial statements in conformity with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB), other authoritative sources identified in *Statement on Auditing Standards No. 69* of the American Institute of Certified Public Accountants, and the requirements of contracts and grants of agencies from which it receives funds.

In accordance with Governmental Accounting Standards Board Statement No. 34, the City retroactively reported its general infrastructure assets during the year ended September 30, 2007.

A. Reporting entity

Primary Government

The City of La Marque, Texas was incorporated under the provisions of the Home Rule City Act and is governed by an elected mayor and four-member city council. The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the City.

Discretely Presented Component Unit

The La Marque Economic Development Corporation was established to promote economic and industrial expansion within the City’s jurisdiction. The members of the Corporation’s governing board as well as its operational and capital budgets are approved by City Council. The Corporation has both governmental and proprietary fund types.

Complete financial statements for the component unit may be obtained at the entity’s administrative offices.

La Marque Economic Development Corporation
1111 Bayou Road
La Marque, Texas 77568-4299

I. Summary of Significant Accounting Policies (continued)

A. Reporting entity (continued)

Condensed Statement Of Net Assets
Discretely Presented Component Unit
September 30, 2011

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 1,309,138	\$ (6,000)	\$ 1,303,138
Investments	2,255,100	358,117	2,613,217
Internal balances	939,550		939,550
Due from primary government	1,772,784	(1,772,784)	
Interest receivable	735		735
Due from other governments	131,911		131,911
Inventories		1,603,142	1,603,142
Improvements other than buildings		107,250	107,250
Total assets	6,409,218	289,725	6,698,943
Liabilities			
Accounts payable and other current liabilities	2,534		2,534
Total liabilities	2,534		2,534
Net Assets			
Unrestricted	6,406,684	289,725	6,696,409
Total net assets	\$ 6,406,684	\$ 289,725	\$ 6,696,409

Condensed Statement of Activities
Discretely Presented Component Unit
For the Year Ended September 30, 2011

	Governmental Activities	Business-type Activities	Total
Expenses			
Economic development	\$ 348,943	\$ 2,750	\$ 351,693
Total expenses	348,943	2,750	351,693
General revenues			
Sales taxes	755,833		755,833
Unrestricted investment earnings	5,377	1,266	6,643
Miscellaneous revenue		110,000	110,000
Total general revenues	761,210	111,266	872,476
Change in net assets	412,267	108,516	520,783
Net assets - October 1 (Beginning)	5,994,417	181,209	6,175,626
Net assets - September 30 (Ending)	\$ 6,406,684	\$ 289,725	\$ 6,696,409

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component unit. Except for interfund services provided and used which are not eliminated in the process of consolidation, the effect of other interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. 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 revenue as soon as all eligibility requirements imposed by the provider have been met.

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.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The City reports the following major governmental funds:

- The *general fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *capital projects* fund is the City's capital projects fund into which the Certificates of Obligation are deposited. Street and drainage improvements will be accounted for in this fund.
- The *other governmental funds* aggregate the City's special revenue funds which account for specific revenues that are legally restricted to expenditure for particular purposes as well as the debt service fund which is used to account for the accumulation of resources for the payment of interest and principal on long-term debt.

The City reports the following major proprietary funds:

- The *utility fund* accounts for the rendering of water and sewer services to the residents of the City.
- The *waterworks and sewer system revenue fund* accounts for the proceeds of the sale of bonds for the purpose of improving and extending the City's waterworks and sanitary sewer system.
- The *community development block grant – sewer improvement fund* accounts for grant proceeds used to construct and rehabilitate sewer lines in low to very-low income neighborhoods.
- The *community development block grant disaster recovery fund* accounts for a federal grant from the United States Department of Housing and Urban Development used for water and sewer improvements necessary as a result of Hurricane Ike.

Additionally, the City reports the following fund types:

- *Internal service funds* account for equipment replacement costs and equipment maintenance insurance costs as needed by City departments on a cost reimbursement basis.
- The *private-purpose trust funds* are used to account for (1) contributions legally held in trust for the purchase of library books.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, except for interfund services provided and used which are not eliminated in the process of consolidation, the effect of other interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers for goods or services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Utility enterprise fund and of the Waterworks and Sewer System Revenue enterprise fund, and of the City's internal service funds are charges to customers for sales and services. The Utility Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investment pools, mutual funds and money market accounts are not considered cash equivalents.

State statutes authorize the City to invest in 1) obligations of the U.S. or its agencies and instrumentalities; 2) obligations of the State of Texas or its agencies; 3) other obligations guaranteed by the U.S. or the State of Texas or their agencies and instrumentalities; 4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than "A" or its equivalent; 5) guaranteed or secured certificates of deposit issued by state or national banks domiciled in Texas; 6) fully collateralized repurchase agreements; and 7) a public funds investment pool meeting the requirement of Government Code 2256.016 – 2256.019. Temporary investments are reported at fair value. The City's investment policies and types of investments are governed by the Public Funds Investment Act (PFIA).

The La Marque Economic Development Corporation's investment policies and types of investments are governed by the Public Funds Investment Act (PFIA). The Corporation utilizes the City's investment policies and Investment Officer in lieu of separately managing its investments.

I. Summary of Significant Accounting Policies (continued)

D. Assets, liabilities, and net assets or equity (continued)

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” All customer and property tax receivables, including those for LMEDC, are shown net of an allowance for uncollectibles. Customer accounts receivable in excess of 120 days primarily comprise the customer accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 10 percent of outstanding property taxes at September 30, 2011.

The property tax calendar is as follows:

Property tax levy on assessed values, which approximate 100% of market value, occurs on October 1.

Taxes are due October 1, immediately following the levy date and are delinquent February 1 of the following year.

Property taxes attach as an enforceable lien on property as of January 1.

3. Inventories and Prepaid Items

Inventories are valued at cost. The General Fund inventory consists of consumable vehicle replacement parts. The consumption method of accounting is used for the governmental fund types whereby supplies are recorded as expenditures when they are consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method of accounting.

For the LMEDC, inventory consists of land purchases made for sale to encourage future development.

4. Restricted Assets

Primary Government

Governmental activities restricted assets include revenue specified for capital projects, debt service, federal and state grants, general government, public safety and public works.

Certain proceeds of the Utility enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The Water and Sewer System Revenue Fund is used to report those proceeds of revenue bond issuances that are restricted for use in construction as well as to segregate resources accumulated for debt service payments.

I. Summary of Significant Accounting Policies (continued)

D. Assets, liabilities, and net assets or equity (continued)

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are, reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 for furniture and equipment and \$25,000 for buildings, improvements and infrastructure and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the Water and Sewer System Revenue fund during the current fiscal year was \$100,498. None of this amount was included as part of the cost of capital assets under construction in connection with water and wastewater treatment facilities construction projects.

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and improvements	40
Heavy equipment	20
Light equipment - Normal use	7 - 10
Light equipment - Frequent use	5
Vehicles	10
Office furniture and equipment	7
Computer equipment	5

General infrastructure assets are defined by *Governmental Accounting Standards Board* Statement No. 34 as “long-lived assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets” and include the following:

- | | |
|---------------------|----------------------------|
| 1. Roads | 5. Water and sewer systems |
| 2. Bridges | 6. Dams |
| 3. Tunnels | 7. Lighting systems |
| 4. Drainage systems | |

I. Summary of Significant Accounting Policies (continued)

D. Assets, liabilities, and net assets or equity (continued)

6. Compensated Absences

City employees earn vacation and sick leave benefits, which may be taken or accumulated within established limits until paid upon retirement, termination or death. These limits vary for City fire fighters and police officers, as their collective bargaining agreements supersede City policies.

Accumulated vacation is limited to a maximum of two years credit for all city employees, including fire fighters and police officers. Accumulated sick leave is limited to 1,040 hours for City employees, 1,378 hours for fire fighters, and is not limited for police officers. A City employee who resigns or terminates employment will be paid at the employee's regular pay scale not to exceed one month's pay. All City employees that retire from employment will be paid a lump sum of all accumulated sick leave within established limits. Fire Fighters who leave employment will be paid up to 230 hours of accumulated sick leave. Police officers who leave employment with the City for any reason other than a "just cause" termination will be paid up to 720 hours of accumulated sick leave.

The liability for compensated absences amounted to \$825,279 for governmental activities and \$194,133 for business-type activities as of September 30, 2011.

The La Marque Economic Development Corporation employs, through a contract with the City, a manager that functions as the Administrator of the Corporation. The manager's compensated absences are accounted for by the City rather than the Corporation, so the Corporation does not incur an expense or liability associated with the manager's compensated absences.

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Fund Equity

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Non-spendable fund balance – amounts that are not in spendable form or are required to be maintained intact. As such, the inventory and prepaid items have been properly classified in the Governmental Funds Balance Sheet.

I. Summary of Significant Accounting Policies (continued)

D. Assets, liabilities, and net assets or equity (continued)

8. Fund Equity (continued)

Restricted fund balance - amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors. Restrictions for capital acquisitions and contractual obligations, retirement of fund indebtedness and other state restrictions have been properly classified in the Governmental Funds Balance Sheet.

Committed fund balance – amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e. the City Council). To be reported as committed, amounts cannot be used for any other purposes unless the City takes the same highest level of action to remove or change the constraint. At September 30, 2011, the City had no committed fund balances.

Assigned fund balance – amounts the City intends to use for a specific purpose. Intent can be expressed by the City or by an official or body to which the City Council delegates the authority. At September 30, 2011, the City had no assigned fund balances.

Unassigned fund balance – amounts that are available for any purpose.

Beginning fund balances for the City's governmental funds have been restated to reflect the above classifications.

The City establishes (and modifies and rescinds) fund balance commitments by passage of a resolution. A fund balance commitment is further indicated in the budget document as a commitment of the fund. Per the City's policy, assigned fund balance amounts may be established by the City Manager and the Finance Director and do not require formal action by the City Council, however, each assignment must be approved by both authorized officials before the item can be presented in the financial statements.

When multiple categories of fund balance are available for expenditure, the City will first spend the most restricted funds before moving down to the next most restrictive category with available funds.

9. Statement of Cash Flows

In accordance with *Governmental Accounting Standards Board* Statement No. 34, a Statement of Cash Flows is required as part of a full set of financial statements for all Proprietary Funds. For purposes of the Statement of Cash Flows, the Proprietary Funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. Investment pools, mutual funds and money market accounts are not considered cash equivalents.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

Exhibit B-2 provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net assets for governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported as liabilities in the funds. Also, property taxes receivable, net of the allowance for uncollectible taxes, which are deferred in the fund financial statements are reported as revenue in the government-wide financial statements.

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

Exhibit B-4 provides a reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances and the changes in net assets of governmental activities as reported on the government-wide statement of activities. One element of that reconciliation explains that current year capital outlays and debt principal payments are expenditures in the fund financial statements, but should be shown as increases in capital assets and decreases in long-term debt in the government-wide statements. This adjustment affects both the net asset balance and the change in net assets. The debt payments on retirement of debt are recorded as expenditures for fund basis financial statements but are a reduction of debt in the government-wide financial statements. The capital asset additions are expenditures in the fund basis financial statements but are capitalized on the government-wide financial statements. The fund basis statements do not include depreciation expense and is therefore a deduction to reconcile to the government-wide statement of activities. New debt issues are considered sources of revenue for fund basis financial statements and increases in liabilities for government-wide financial statements. Property taxes receivable are deferred in the fund basis financial statements, as they are not considered available. Property taxes are recorded as revenue when levied in the government-wide financial statements.

III. Stewardship, Compliance, and Accountability

A. Budgetary information

Purpose of Budget

The budget is required by City Charter and is used to plan, monitor, and control the use of resources. The budget then:

1. Identifies resources and funds to provide for the delivery of services.
2. Appropriates funds for the level of service to be provided.
3. Provides the basis for recording and controlling revenues and expenditures.

Budget Process

The budget process is a systematic approach to providing reasonable estimates of revenues and expenditures for a certain level of activity. These revenue and expenditure estimates are based on past, current, and future anticipated activity. The information is accumulated and proceeds from the departments to the City Manager, the City Council, and the public. Therefore, budget preparation is an opportunity to review each activity and present a realistic, adequately documented budget to provide those services in a low-cost, efficient manner.

The City follows these procedures, which comply with legal requirements, in establishing the budgetary data reflected in the financial statements:

1. The general fund, the Hotel/Motel Room Occupancy Tax special revenue fund, the Debt Service fund, and the enterprise funds have legally adopted annual budgets. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution.
4. The City Manager is authorized to transfer budget amounts within and between departments; however, any revisions that alter the total expenditures of any category (general government, public safety, etc.) must be approved by the City Council.
5. Budgets for the general fund, the Hotel/Motel Room Occupancy Tax special revenue fund, the Debt Service fund, and the enterprise funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. All budgeted appropriations lapse at year end.

Budget amounts are as originally adopted or as amended by the City Council. Expenditures may not exceed appropriations on a departmental level in the general fund, enterprise funds, Hotel/Motel Room Occupancy Tax special revenue fund, and the Debt Service fund. All budget amendments are brought to City Council.

III. Stewardship, Compliance, and Accountability (continued)

A. Budgetary information (continued)

There were no budget amendments approved by City Council during the fiscal year ended September 30, 2011. However, subsequent to year end, City Council approved a budget amendment for fiscal year 2011.

Expenditures exceeded appropriations in the general fund for the sanitation department in the amount of \$141,690 as well as capital outlay in the public safety department in the amount of \$397,674.

Charter Requirements

1. **Overview** - Section 6.02; "Preparation and submission of budget" of Article VI. The budget as taken from the charter of the City of La Marque, Texas states in part:

"The City Manager shall submit to the City Council a budget. For such purpose, he shall obtain from the head of each office or department estimates of revenue and expenditure of that office or department, detailed by character and object of expenditure and such other supporting data as he may request; together with an estimate of all capital projects pending or which such department head believes should be undertaken (a) within the budget year and (b) within the five next succeeding years. In preparing the budget, the City Manager shall review the estimates and may revise the estimates, as he may deem advisable."

2. **Excerpts** - from other sections of Article VI.

- 6.13 - It shall set forth the reasons for salient changes from the previous year in cost and revenue items and shall explain any major changes in financial policy.
- 6.15 - The City Manager shall also include a capital program of proposed capital projects for the next five fiscal years.
- 6.16 - Attached shall be such supporting schedules, exhibits, and other explanatory material as the City Manager shall believe useful.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. As of September 30, 2011, there were no outstanding encumbrances in the General Fund.

B. Deficit Net Assets

The Water and Sewer System Revenue Enterprise Fund ended the year with a deficit unrestricted net asset balance of \$357,714. The City plans to transfer funds from the Utility Fund in the future to cover this deficit.

IV. Detailed Notes on all Funds

A. Deposits and investments

City Policies and Legal and Contractual Provisions Governing Deposits

The funds of the City must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the City's agent bank in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

At September 30, 2011, the carrying amount of the City's deposits, (cash and interest-bearing savings accounts) was \$1,915,492 and the bank balance was \$3,492,357.

Custodial Credit Risk

The City's deposits are subject to custodial credit risk, however, none of the City's deposits were uninsured at September 30, 2011. The City's deposits are secured by securities held by the pledging financial institutions agent in the City's name. The City's deposits were fully collateralized at year-end and throughout the year.

Cash and cash equivalents as of September 30, 2011 were as follows:

	Cash on Hand	Equity in Pooled Cash	Other Deposits	Total
Primary government				
Governmental activities:				
General fund	\$ 835	\$ 28,751	\$ 380	\$ 29,966
Capital Projects		28,106		28,106
Nonmajor governmental funds		879,611	103,249	982,860
Nonmajor internal service funds		30,285		30,285
Total governmental activities	835	966,753	103,629	1,071,217
Business-type activities:				
Utility fund	(126)	823,799		823,673
CDBG Disaster Recovery		19,289		19,289
Total business-type activities	(126)	843,088		842,962
Fiduciary funds:				
Private purpose trust funds			1,313	1,313
Total fiduciary funds			1,313	1,313
Total primary government	\$ 709	\$ 1,809,841	\$ 104,942	\$ 1,915,492
Discretely presented component unit				
Governmental activities:				
General fund	\$	\$ 1,309,138	\$	\$ 1,309,138
Business-type activities:				
Enterprise fund		(6,000)		(6,000)
Total discretely presented component unit	\$	\$ 1,303,138	\$	\$ 1,303,138

IV. Detailed Notes on all Funds (continued)

A. Deposits and investments (continued)

Compliance with the Public Funds Investment Act

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

Statutes authorize the entity to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the entity to have independent auditors perform test procedures related to investment practices as provided by the Act. The City of La Marque is in substantial compliance with the requirements of the Act and with local policies.

The following table includes portfolio balance, the weighted average maturity, and the percentage of the portfolio balance by investment type held by the City as of September 30, 2011:

	<u>Fair Value</u>	<u>Percentage of Investments</u>	<u>Weighted Average Maturity (Days)</u>
Primary government			
Governmental activities:			
Money Market Mutual funds:			
DWS Institutional Shares	\$ 768,436	8.0%	1
	<u>768,436</u>	<u>8.0%</u>	
Local government investment pools:			
Logic	858,245	9.0%	40
TexPool	5,246,817	53.0%	30
	<u>6,105,062</u>	<u>61.0%</u>	19
Total governmental activities	<u>6,873,498</u>	<u>69.0%</u>	19
Business-type Activities:			
Certificates of deposit	359,848	3.6%	108
	<u>359,848</u>	<u>3.6%</u>	4
Mutual funds:			
DWS Institutional Shares	616,851	6.2%	1
	<u>616,851</u>	<u>6.2%</u>	
Local government investment pools:			
Logic	844,130	8.5%	40
TexPool	1,286,342	12.9%	30
	<u>2,130,472</u>	<u>21.3%</u>	7
Total business-type activities	<u>3,107,171</u>	<u>31.1%</u>	11
Total primary government	<u>\$ 9,980,669</u>	<u>100.0%</u>	30

IV. Detailed Notes on all Funds (continued)

A. Deposits and investments (continued)

	Fair Value	Percentage of Investments	Weighted Average Maturity (Days)
Discretely presented component unit			
Governmental activities:			
Certificates of deposit	\$ 270,000	10.3%	328
	270,000	10.3%	34
Money Market Mutual funds			
DWS Institutional Shares	245		1
	245		
Local government investment pools			
TexPool	1,984,855	76.0%	30
	1,984,855	76.0%	23
Total governmental activities	2,255,100	86.3%	57
Business-type Activities:			
Money market accounts			
Merrill Lynch	358,117	13.7%	1
	358,117	13.7%	
Total business-type activities	358,117	13.7%	
Total discretely presented component unit	\$ 2,613,217	100.0%	57

Additional policies and contractual provisions governing deposits and investments for The City of La Marque are specified below:

Interest Rate Risk

The City has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate changes. In accordance with its investment policy, unless matched to a specific requirement, the City may not invest more than 30% of the portfolio for a period greater than two years. In addition, unless matched to a specific requirement, the City may not invest any portion of the portfolio for a period greater than three years.

Credit Risk

State law limits investments in commercial paper, corporate bonds, and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations. The City has a formal investment policy that further limits its investment choices. In accordance with the City's investment policy, diversification standards by security type and issuer shall not exceed the following:

U.S. Treasuries and Securities with the	
U.S. Government's Guarantee	100%
U.S. Government Agencies and Instrumentalities	85%
Certificates of Deposit	100%
Money Market Funds	50%
Local Government Investment Pools	100%

As of September 30, 2011, the City's investment in TexPool was rated AAA by Standard and Poors. The City's investment in Logic was rated AAAM by Standard and Poors. The City's investment in DWS was rated AAAM by Standard and Poor's.

IV. Detailed Notes on all Funds (continued)

A. Deposits and investments (continued)

Concentration of Credit Risk

Although there is no credit risk associated with the investments currently held, the City has a formal investment policy that places limits on the amount the City may invest in any one issuer. The following is a recap of City investments by type with maximum percentages per the formal investment policy.

	<u>Fair Value</u>	<u>Maximum</u>	<u>Percent Invested</u>
Certificates of deposit	\$ 629,848	100.0%	5.0%
Local government investment pools	10,220,389	100.0%	81.2%
Money market accounts	358,117	50.0%	2.8%
Mutual funds	1,385,532	50.0%	11.0%
	<u>\$ 12,593,886</u>		<u>100.0%</u>

Custodial Credit Risk for Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a formal policy for investment custodial credit risk. Of the total \$9,980,669 invested by the City, none of this amount was exposed to custodial credit risk at year-end, as the entire amount was insured by FDIC.

Adjustment to Investment Fair Values

The City's portfolio fluctuates in an inverse relationship to any change in interest rates. Accordingly, if interest rates have risen, the portfolio value will have declined. If interest rates have fallen, the portfolio value will have risen. Investments are reported by the City at fair value in accordance with Governmental Accounting Standards. The city had no gains or losses from the sale of investments. Changes in market values of investments are included in investment earnings as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Interest income	\$ 9,903	\$ 3,534	\$ 13,437
Total Investment Earnings	<u>\$ 9,903</u>	<u>\$ 3,534</u>	<u>\$ 13,437</u>

DWS Institutional Shares

DWS Institutional Shares ("DWS") is an SEC registered money market mutual fund rated AAAM by Standard & Poors. The portfolio consists exclusively of U.S. Treasury bills, notes, bonds and other obligations issued or guaranteed by the U.S. Government, its agencies or instrumentalities and related repurchase agreements. The portfolio also may consist of investments in repurchase agreements collateralized by U.S. Treasury and Agency Securities.

To maintain its money market fund status, the DWS fund seeks to maintain a stable \$1.00 share price and follows the following rules:

- individual securities must have remaining maturities of no more than 397 days and be denominated in U.S. dollars,
- the dollar-weighted average maturity of the portfolio's holdings cannot exceed 90 days, and
- all securities must be in the top two credit grades for short-term debt securities.

IV. Detailed Notes on all Funds (continued)

A. Deposits and investments (continued)

The fair value of DWS investments are based on quoted market values of underlying investments of the pool. DWS is a money market mutual fund. The investments are reported by the City at amortized cost in accordance with the 90-day exception rule of GASB 31. No unrealized gains are reported in the financial statements under the 90-day exception in GASB 31 to reporting unrealized gains/losses.

The investment in DWS and any accrued interest may be redeemed at the City's discretion.

Tex Pool

The fair value of TexPool investments is based on quoted market values of underlying investments of the pool. TexPool is an investment service authorized by the Texas Legislature and administered by the State Comptroller. The investments are reported by the City at amortized cost in accordance with the 90-day exception rule of GASB 31. All gains/losses are reported in the financial statements for realized gains/losses.

No unrealized gains are reported in the financial statements under the 90-day exception in GASB 31 to reporting unrealized gains/losses.

The purpose of Texpool is to allow for the pooling of public funds to provide a higher yield on the pooled investment than would be possible with the investment of the individual public entity's funds. These investments are subject to the same safety investment instruments for public funds, including repurchase agreements, U.S. Treasury bills and bonds, securities of other U.S. government agencies, commercial paper and other safe instruments.

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool, the Texas Local Government Investment Pool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both Participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. Finally, TexPool is rated AAA by Standard & Poors. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poors, as well as the office of the Comptroller of Public Accounts for review.

TexPool operates in a manner consistent with the SEC's rule 2a7 of the Investment Company Act of 1940 in order to ensure a more conservative investment strategy and to provide a much higher level of investment safety for local government funds.

TexPool uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares. The investment in TexPool and any accrued interest may be redeemed at the City's discretion.

Logic

LOGIC, Local Government Investment Cooperative is an investment program for local governments within the State of Texas. Investments are subject to the strict requirements of the Public Funds Investment Act and LOGIC may invest in any of the securities authorized by statute. The pool must demonstrate compliance with Chapter 2256, Sections .016, .017, .018 and .019. The fair value of LOGIC investment is based on quoted market values of underlying investments of the pool. The investments are reported by the City at amortized cost in accordance with the 90-day exception rule of GASB 31. All gains/losses are reported in the financial statements for realized gains/losses. No unrealized gains are reported in the financial statements under the 90-day exception in GASB 31 to reporting unrealized gains/losses. The fair value of the position in LOGIC is the same as the value of the pool shares. Logic is rated AAAM by Standard & Poors.

IV. Detailed Notes on all Funds (continued)

B. Property Taxes

Property taxes are levied by October 1st 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 1st of the year following the year in which imposed. On January 1st of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Appraised values are established by the Central Appraisal District (CAD) of Galveston County, Texas. Taxes are levied by City Council based on the appraised values received from Galveston Central Appraisal District. Billing and collection of tax levies are performed by the Galveston County Tax Assessor/Collector.

Property tax rates, established in accordance with state law, are levied on real and personal property within the City's boundaries for use in financing general government and debt service expenditures. Tax rates levied to finance general government and debt service expenditures for the fiscal year were \$0.407385 and \$0.106975, respectively, based on an assessed property valuation of approximately \$607 million resulting in an adjusted tax levy of approximately \$3.1 million. Allowances for uncollectible taxes are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the City is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Governmental funds net property taxes receivable at September 30, 2011, consisted of the following:

	General	Debt Service	Total
Delinquent taxes:			
Current year levy	\$ 99,631	\$ 26,162	\$ 125,793
Prior year levy	365,785	85,682	451,467
Total delinquent taxes	<u>465,416</u>	<u>111,844</u>	<u>577,260</u>
Penalties and interest on taxes	326,867	80,852	407,719
Total taxes, penalties and interest	<u>792,283</u>	<u>192,696</u>	<u>984,979</u>
Less allowance for uncollectible taxes	<u>(312,989)</u>	<u>(84,254)</u>	<u>(397,243)</u>
Net property taxes receivable	<u><u>\$ 479,294</u></u>	<u><u>\$ 108,442</u></u>	<u><u>\$ 587,736</u></u>

IV. Detailed Notes on all Funds (continued)

C. Customer Receivables

Customer receivables consist of amounts billed to the residents of the City for refuse collection, water and sewer service, emergency transports, and Connect Transit services. Amounts receivable are reported net of an allowance for uncollectible receivables which is based upon historical collection experience.

Customer receivables at September 30, 2011, consisted of the following:

	Governmental Activities	Business-type Activities	Total
Refuse, water and sewer receivables			
Refuse	\$ 328,256	\$	\$ 328,256
Water and sewer		767,788	767,788
Total refuse, water and sewer	<u>328,256</u>	<u>767,788</u>	<u>1,096,044</u>
Less allowance for uncollectible accounts	<u>(110,887)</u>	<u>(240,629)</u>	<u>(351,516)</u>
Net refuse, water and sewer receivables	<u>217,369</u>	<u>527,159</u>	<u>744,528</u>
Emergency transport receivables			
EMS transport receivables	639,477		639,477
Less allowance for uncollectible accounts	<u>(568,015)</u>		<u>(568,015)</u>
Net emergency transport receivables	<u>71,462</u>		<u>71,462</u>
Connect Transit receivable	<u>1,830</u>		<u>1,830</u>
Net customer receivables	<u>\$ 290,661</u>	<u>\$ 527,159</u>	<u>\$ 817,820</u>

D. Capital Assets

Capital asset activity for the year ended September 30, 2011, was as follows:

	Balance October 1, 2010	Additions	Retirements and Transfers	Balance September 30, 2011
Primary government				
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 210,370	\$	\$	\$ 210,370
Construction in progress				
Total capital assets, not being depreciated	<u>210,370</u>			<u>210,370</u>
Capital assets, being depreciated:				
Buildings and structures	2,690,961			2,690,961
Improvements other than buildings	25,306,420	1,467,292		26,773,712
Vehicles	1,375,227	650,972		2,026,199
Machinery and equipment	3,074,363	102,584		3,176,947
Furniture and office equipment	348,336			348,336
Total Capital assets, being depreciated	<u>32,795,307</u>	<u>2,220,848</u>		<u>35,016,155</u>
Less accumulated depreciation for:				
Buildings and structures	(1,540,716)	(64,587)		(1,605,303)
Improvements other than buildings	(13,599,531)	(617,953)		(14,217,484)
Vehicles	(879,313)	(126,695)		(1,006,008)
Machinery and equipment	(2,125,652)	(129,543)		(2,255,195)
Furniture and office equipment	(271,570)	(33,213)		(304,783)
Total accumulated depreciation	<u>(18,416,782)</u>	<u>(971,991)</u>		<u>(19,388,773)</u>
Governmental capital assets	<u>\$ 14,588,895</u>	<u>\$ 1,248,857</u>	<u>\$</u>	<u>\$ 15,837,752</u>

IV. Detailed Notes on all Funds (continued)

D. Capital Assets (continued)

	Balance October 1, 2010	Additions	Retirements and Transfers	Balance September 30, 2011
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 209,774	\$	\$	\$ 209,774
Construction in progress	22,102	1,295,809		1,317,911
Total capital assets, not being depreciated	<u>231,876</u>	<u>1,295,809</u>		<u>1,527,685</u>
Capital assets, being depreciated:				
Buildings and structures	116,805			116,805
Improvements other than buildings	33,909,675			34,513,697
Vehicles	1,169,987			1,169,987
Machinery and equipment	684,879			684,879
Leased assets purchased under capital lease	260,000			260,000
Total capital assets, being depreciated	<u>36,141,346</u>			<u>36,745,368</u>
Less accumulated depreciation for:				
Buildings and structures	(94,333)	(2,979)		(97,312)
Improvements other than buildings	(20,836,889)	(1,144,796)	102,331	(21,879,354)
Vehicles	(1,079,057)	(19,888)		(1,098,945)
Machinery and equipment	(631,962)	(21,100)		(653,062)
Leased assets purchased under capital lease	(52,000)	(26,000)		(78,000)
Total accumulated depreciation	<u>(22,694,241)</u>	<u>(1,214,763)</u>	<u>102,331</u>	<u>(23,806,673)</u>
Business-type capital assets	<u>\$ 13,678,981</u>	<u>\$ 81,046</u>	<u>\$ 102,331</u>	<u>\$ 14,466,380</u>
Discretely presented component unit				
Governmental activities:				
Improvements other than buildings	\$	\$ 110,000	\$	\$ 110,000
Machinery and equipment	28,012			28,012
Total capital assets being depreciated	<u>28,012</u>	<u>110,000</u>		<u>138,012</u>
Less accumulated depreciation for:				
Improvements other than buildings		(2,750)		(2,750)
Machinery and equipment	(28,012)			(28,012)
Total accumulated depreciation	<u>(28,012)</u>	<u>(2,750)</u>		<u>(30,762)</u>
Total capital assets, net	<u>\$</u>	<u>\$ 107,250</u>	<u>\$</u>	<u>\$ 107,250</u>

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

	Depreciation Expense
Governmental activities:	
General government	\$ 33,365
Public safety	215,973
Public works	720,790
Sanitation	1,863
Total Governmental activities	<u>971,991</u>
Business-type activities:	
Utility	1,052,030
Water and sewer system revenue	162,733
Total Business-type activities:	<u>1,214,763</u>
Total Primary Government	<u>\$ 2,186,754</u>
Component Unit:	
Business-type activities	2,750
Total Component unit	<u>\$ 2,750</u>

IV. Detailed Notes on all Funds (continued)

D. Capital Assets (continued)

Construction Commitments

The City has an active construction project as of September 30, 2011. The project includes various sewer improvements. At year end, the City's commitments with contractors are as follows:

Project	Approved Construction Budget	Construction in Progress	Estimated Remaining Commitment
Sewer improvements	\$ 287,202	\$ 275,111	\$ 12,091
Sewer, water & firestation improvements	2,561,281	1,042,800	1,518,481
	<u>\$ 2,848,483</u>	<u>\$ 1,317,911</u>	<u>\$ 1,530,572</u>

E. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables are utilized as an offset to a fund's deficit cash with another fund's positive cash. The composition of interfund balances as of September 30, 2011, is as follows:

	Due From Other Funds	Due To Other Funds	Net
Primary government			
Governmental activities:			
General fund	\$ 287,713	\$	\$ 287,713
Capital Projects	16,000	(1,048,121)	(1,032,121)
Nonmajor governmental funds	85,124	(46,689)	38,435
Nonmajor internal service funds		(224,000)	(224,000)
Total governmental activities	<u>388,837</u>	<u>(1,318,810)</u>	<u>(929,973)</u>
Business-type activities:			
Utility fund	924,652	(246,759)	677,893
Water and sewer revenue fund		(617,920)	(617,920)
CDBG sewer improvement program		(70,853)	(70,853)
CDBG disaster recovery program	1,303		1,303
Total business-type activities	<u>925,955</u>	<u>(935,532)</u>	<u>(9,577)</u>
Total primary government	<u>\$ 1,314,792</u>	<u>\$ (2,254,342)</u>	<u>\$ (939,550)</u>
Discretely presented component unit			
Governmental activities:			
General fund	\$ 2,712,334	\$	\$ 2,712,334
Business-type activities:			
Enterprise fund		(1,772,784)	(1,772,784)
Total discretely presented component unit	<u>\$ 2,712,334</u>	<u>\$ (1,772,784)</u>	<u>\$ 939,550</u>

IV. Detailed Notes on all Funds (continued)

E. Interfund Receivables, Payables, and Transfers (continued)

The principal purpose of interfund transfers is to fund the equipment replacement and equipment maintenance insurance funds and to cover the cost of equipment purchased in the general fund.

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net</u>
Primary government			
Governmental activities:			
General fund	\$ 254,436	\$ (19,675)	\$ 234,761
Nonmajor governmental funds	4,675	(45,000)	(40,325)
Nonmajor internal service funds	15,690	(226,836)	(211,146)
Total governmental activities	<u>274,801</u>	<u>(291,511)</u>	<u>(16,710)</u>
Business-type activities:			
Utility fund	1,047,708	(1,147,467)	(99,759)
Water and Sewer Revenue fund	364,090	(247,621)	116,469
Total business-type activities	<u>1,411,798</u>	<u>(1,395,088)</u>	<u>16,710</u>
Total primary government	<u>\$ 1,686,599</u>	<u>\$ (1,686,599)</u>	<u>\$</u>

F. Leases

Operating Leases

Commitments under operating (noncapitalized) lease agreements for facilities and equipment are classified as State of Texas Rental Contracts and are cancelable contingent upon budget funding approval. The City is therefore not obligated for any future minimum rental payments at September 30, 2011.

The imputed interest on the leases is not readily determinable.

Rental expenditures during the year ended September 30, 2011, were \$ 19,156.

Capital Lease Obligations

The City entered into a capital lease agreement in the amount of \$260,000 to purchase equipment. The effective interest rate for the lease is 5.480 percent. Utility fund revenues are used to retire this capital lease obligation. The capital lease matures semi-annually through December 2015.

The following schedule presents the payment requirements to maturity:

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2012	35,942	9,280	45,222
2013	37,938	7,283	45,221
2014	40,046	5,176	45,222
2015	42,271	2,951	45,222
2016	22,090	521	22,611
	<u>\$ 178,287</u>	<u>\$ 25,211</u>	<u>\$203,498</u>

IV. Detailed Notes on all Funds (continued)

F. Leases (continued)

During fiscal year 2011, the City entered into a lease in the amount of \$444,000 for the purchase of a fire truck. The effective rate of interest is 3.850 percent. General fund revenues are used to retire this capital lease obligation. The capital lease matures annually through February 2012.

The following schedule presents the payments required to maturity:

Year Ending September 30,	Principal	Interest	Totals
2012	85,350	13,105	98,455
2013	84,648	13,807	98,455
2014	87,906	10,549	98,455
2015	91,291	7,164	98,455
2016	94,805	3,650	98,455
	<u>\$ 444,000</u>	<u>\$ 48,275</u>	<u>\$492,275</u>

G. Long-term Debt

1. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2011, was as follows:

	Balance October 1, 2010	Additions	Retirements	Balance September 30, 2011	Due Within One Year
Primary government					
Governmental activities:					
Certificates of obligation	\$ 6,500,000	\$	\$ (220,000)	\$ 6,280,000	\$ 230,000
Compensated absences	864,528	603,842	(643,091)	825,279	381,573
Net OPEB obligation	532,389	563,939		1,096,328	
Note payable - capital lease		444,000		444,000	85,350
Supplemental annuities	171,872	118,214	(144,264)	145,822	25,804
Total governmental activities	<u>8,068,789</u>	<u>1,729,995</u>	<u>(1,007,355)</u>	<u>8,791,429</u>	<u>722,727</u>
Business-type activities					
Bonds and contracts payable:					
Revenue bonds	4,965,000		(575,000)	4,390,000	600,000
Long-term contracts	2,973,639	342,949	(657,318)	2,659,270	185,892
Unamortized premium		187,445			
Capital lease	212,337		(34,050)	178,287	35,942
Total bonds and contracts payable	<u>8,150,976</u>	<u>530,394</u>	<u>(1,266,368)</u>	<u>7,227,557</u>	<u>821,834</u>
Compensated absences	187,521	104,173	(97,561)	194,133	51,405
Total business-type activities	<u>8,338,497</u>	<u>634,567</u>	<u>(1,363,929)</u>	<u>7,421,690</u>	<u>873,239</u>
Total primary government	<u>\$ 16,407,286</u>	<u>\$ 2,364,562</u>	<u>\$ (2,371,284)</u>	<u>\$ 16,213,119</u>	<u>\$ 1,595,966</u>

For the governmental activities, net pension obligation and compensated absences are generally liquidated by the general fund.

IV. Detailed Notes on all Funds (continued)

G. Long-term Debt (continued)

2. Certificates of Obligation

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and major equipment. Certificates of obligation have been issued for governmental activities. The original amount of certificates of obligation issued in prior years was \$8,165,000. During the year, no certificates of obligation were issued.

Certificates of obligation are direct obligations and pledge the full faith and credit of the City. These certificates were issued as 25-year, 22-year and 15-year certificates with various amounts of principal maturing each year.

Certificates of obligations outstanding at year-end are as follows:

Issue	Original Issuance Amount	Interest Rate	Maturity Date	Debt Outstanding
Certificates of obligation - Series 2005	3,490,000	4.00% to 5.00%	2029	\$ 2,920,000
Certificates of obligation - Series 2007	3,750,000	4.50% to 4.75%	2029	3,360,000
Total certificates of obligation payable				6,280,000
Less current portion				(230,000)
Long-term portion				\$ 6,050,000

Annual debt service requirements to maturity for certificates of obligation are as follows:

Year Ending September 30,	Principal	Interest	Totals
2012	\$ 230,000	\$ 262,656	\$ 492,656
2013	240,000	251,469	491,469
2014	250,000	240,944	490,944
2015	265,000	230,269	495,269
2016	280,000	218,944	498,944
2017	290,000	206,994	496,994
2018	305,000	195,713	500,713
2019	315,000	183,856	498,856
2020	330,000	171,251	501,251
2021	345,000	158,037	503,037
2022	365,000	143,837	508,837
2023	380,000	128,813	508,813
2024	400,000	113,000	513,000
2025	415,000	96,353	511,353
2026	435,000	79,070	514,070
2027	455,000	60,850	515,850
2028	480,000	41,790	521,790
2029	500,000	21,323	521,323
	6,280,000	\$ 2,805,169	\$ 9,085,169
	(230,000)	Less Current Portion	
	\$ 6,050,000	Long-term portion	

IV. Detailed Notes on all Funds (continued)

G. Long-term Debt (continued)

3. Revenue Bonds and other Long-term Debt

The City also issues bonds for which the City pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds have been issued for business -type activities. The original amount of revenue bonds issued in prior years was \$9,040,000. During the year, no revenue bonds were issued.

The City has also entered into contracts for which the City pledges sufficient sums to retire the water contract revenue bonds of the Gulf Coast Water Authority. These contracts are for business-type activities. The original amount of contracts entered into in prior years was \$3,512,413. During the current fiscal year, a portion of the water contract revenue bonds was refunded, reducing the original contract balances to \$3,382,949.

Primary Government

Revenue bonds and other long-term debt outstanding at year-end are as follows:

Issue	Original Issuance Amount	Interest Rate	Maturity Date	Debt Outstanding
Revenue bonds:				
Revenue bonds - Series 1996	\$ 4,440,000	3.00% to 4.55%	2016	\$ 1,795,000
Revenue bonds - Series 1998	\$ 4,600,000	2.50% to 3.65%	2018	2,595,000
Total revenue bonds payable				4,390,000
Less current portion				(600,000)
				<u>\$ 3,790,000</u>
Long-term contracts:				
Water system contract refunding bonds - Series 1998-D	\$ 3,040,000	4.15% to 5.00%	2022	\$ 2,330,000
Water system contract refunding bonds - Series 2011-B	\$ 342,949	2.00% to 5.00%	2022	\$ 329,270
Total long-term contracts payable				2,659,270
Less current portion				(185,892)
Long-term portion				<u>\$ 2,473,378</u>

IV. Detailed Notes on all Funds (continued)

G. Long-term Debt (continued)

3. Revenue Bonds and other Long-term Debt (continued)

Revenue bond and long-term contracts debt service requirements to maturity are as follows:

Year Ending September 30,	Principal	Interest	Totals
2012	\$ 785,892	\$ 300,892	\$ 1,086,784
2013	816,381	268,835	1,085,216
2014	851,870	235,016	1,086,886
2015	887,847	199,036	1,086,883
2016	923,335	161,238	1,084,573
2017	809,312	121,733	931,045
2018	820,289	89,322	909,611
2019	256,754	56,374	313,128
2020	272,731	43,854	316,585
2021	284,198	30,544	314,742
2022	340,661	16,677	357,338
	<u>7,049,270</u>	<u>\$ 1,523,521</u>	<u>\$ 8,572,791</u>
	(785,892)	Less Current Portion	
	<u>\$ 6,263,378</u>	Long-term portion	

4. Long-term contracts payable

Gulf Coast Water Authority

According to the contract between the City of La Marque and the Gulf Coast Water Authority (GCWA), the City agreed to provide sufficient sums to retire the water contract revenue bonds of the GCWA. In return, the proceeds of the contract revenue bonds have been used to finance the construction of a water transmission main from a water treatment plant located in the City of Texas City to the City of La Marque and upgrade the City of La Marque's water supply and distribution system. The improvements were necessary to convert the City of La Marque to a surface water supply. The project was completed in November, 1982.

On July 1, 1998, the City of La Marque entered into a long-term contract with the Gulf Coast Water Authority (GCWA), formerly Galveston County Water Authority, to build and improve facilities for potable water transportation to the City of La Marque. The GCWA is, a conservation and reclamation district created by Chapter 712, Acts of the 59th Texas Legislature, 1965, as amended (compiled as Article 8280-339, Vernon's Texas Civil Statutes, as amended). The GCWA issued bonds totaling \$3,040,000 in 1998 under the title "Gulf Coast Water Authority Water System Contract Revenue Bonds, Series 1998 D - City of La Marque Project". Under the contract, the City agreed to provide sufficient sums to retire the bonds.

Additionally, the City entered into a contract to purchase water from the Gulf Coast Water Authority which includes an agreement to provide funds to cover bonds obtained by the GCWA for waterline improvements within the corporate boundaries of the City. The GCWA issued bonds totaling \$4,835,000 in 1998 under the title "Gulf Coast Water Authority Water System Contract Revenue Bonds, Series 1998 B" for which the City is responsible for 9.7707% of this total, or \$483,500. On May 12, 2011, the GCWA redeemed the Series 1998-B water system contract revenue bonds and issued Water System Contract Revenue Refunding Bonds, Series 2011-B totaling \$2,140,000, of which the City is responsible for 9.7707%, or \$329,271.

The balances for GCWA Activity are presented as of their fiscal year end, August 31, 2011. Any amounts related to the timing of the fiscal year end between GCWA and the City are not considered material to the financial statements.

IV. Detailed Notes on all Funds (continued)

G. Long-term Debt (continued)

5. Restricted Net Assets for Revenue Bond Debt Service

Water Contract Refunding Bonds, Series 2098-D	\$ 737,897
Total revenue bond debt service reserve	\$ 737,897

As required by a city ordinance adopted on August 26, 1996, the City agreed to maintain reserve funds for Series 1996 and 1998 Water and Sewer Revenue Bonds, based upon the average debt requirements of \$361,975 and \$342,477, respectively. The City had a sixty-month period to accumulate the required reserves.

Once attained, the reserves were to remain level until the bonds were paid in full. However, on July 13, 1998 a new ordinance was passed which allowed the City to satisfy the Reserve Fund Requirements by obtaining Reserve Fund Surety Policies. A Reserve Fund Surety Policy was purchased on August 13, 1998 which allowed funded amounts in the Reserve Funds to be released for any of the purposes for which such funds may be lawfully applied. Therefore, no interest and sinking fund reserves are required.

Additionally, a restriction for Water Contract Revenue Bonds, Series 1998D, in the amount of \$737,897, has been recorded as of September 30, 2011.

H. Revaluation of Utility Plant

A surplus arising in the amount of \$959,359, from revaluation of the Utility Plant in service is based on an appraisal by Chas. R. Haile Associates, Inc., Consulting Engineers, as of April 1, 1959. This was prior to the dissolution of Galveston County W.C.I.D. #3, which was acquired by the City of La Marque. The surplus is included in invested in capital assets, net of related debt.

I. Designated Fund Balances - Self Insurance

Primary Government

Self-Insurance - A designation for self-insurance has been established in the General and Utility Funds to provide a designation of funds to cover the risk of loss for physical damage to vehicles. This designation is not, nor is it intended to be a traditional self-insurance program. It is rather a designation of funds established to meet deductibles under the City's commercial insurance coverage. The designation for all funds totaled \$47,500 at September 30, 2011.

IV. Detailed Notes on all Funds (continued)

J. Budgeted Special Revenue Funds

The City legally adopts annual budgets for only one of the City's thirteen Special Revenue Funds - Hotel/Motel Room Occupancy Tax Fund. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual on page 92 present only this one fund.

	Final Budget	Actual	Variance Favorable (Unfavorable)
Budgeted special revenue funds			
Total revenues	\$ 86,000	\$ 94,545	\$ 8,545
Total expenditures	(120,000)	(88,125)	31,875
Excess revenues over (under) expenditures	(34,000)	6,420	40,420
Other Financing Sources (Uses)			
Transfer in			
Transfer (out)		(20,000)	(20,000)
Total other financing sources (uses)		(20,000)	(20,000)
Fund balance - October 1 (Beginning)	802,124	802,124	
Prior period adjustment			
Fund balance - Beginning (As restated)	802,124	802,124	
Fund balance - September 30 (Ending)	768,124	788,544	20,420
Unbudgeted special revenue funds			
Total revenues		1,857,679	1,857,679
Total expenditures		(1,921,014)	(1,921,014)
Excess revenues over (under) expenditures		(63,335)	(63,335)
Other Financing Sources (Uses)			
Transfer in		4,675	4,675
Transfer (out)		(5,000)	(5,000)
Total other financing sources (uses)		(325)	(325)
Fund balance - October 1 (Beginning)	269,265	269,265	
Fund balance - September 30 (Ending)	269,265	205,605	(63,660)
All special revenue funds			
Total revenues	86,000	1,952,224	1,866,224
Total expenditures	(120,000)	(2,009,139)	(1,889,139)
Excess revenues over (under) expenditures	(34,000)	(56,915)	(22,915)
Other Financing Sources (Uses)			
Transfer in		4,675	4,675
Transfer (out)		(25,000)	(25,000)
Total other financing sources (uses)		(20,325)	(20,325)
Fund balance - October 1 (Beginning)	1,071,389	1,071,389	
Fund balance - Beginning (As restated)	1,071,389	1,071,389	
Fund balance - September 30 (Ending)	\$ 1,037,389	\$ 994,149	\$ (43,240)

IV. Detailed Notes on all Funds (continued)

K. Deferred Revenue

Deferred revenue represents assets that are not available for use by the City to liquidate current year liabilities. Deferred revenue by fund as of September 30, 2011, is as follows:

	General Fund	Nonmajor Governmental Funds	Total
Net property taxes receivable	\$ 289,565	\$ 59,295	\$ 348,860
Other unearned revenue	1,525		1,525
Total	\$ 291,090	\$ 59,295	\$ 350,385

A summary of unavailable and unearned deferred revenue are as follows:

	Unavailable	Unearned	Total
Governmental Activities:			
General fund	\$ 289,565	\$ 1,525	\$ 291,090
Nonmajor governmental funds	59,295		59,295
Total	\$ 348,860	\$ 1,525	\$ 350,385

L. Deferred Charges

Costs related to obtaining revenue bonds and long-term contracts are capitalized and amortized over the term of the related debt using the straight-line method. Costs, accumulated amortization and amortization expense are as follows:

	Governmental Activities	Business-type Activities		
		Utility	Water and Sewer Revenue	Total
Deferred charges:				
Bond issue costs	\$ 117,797	\$ 184,882	\$ 136,374	\$ 321,256
Accumulated amortization	(26,104)	(96,684)	(90,065)	(186,749)
Bond issue costs, net of accumulated amortization	91,693	88,198	46,309	134,507
Premium received on bond issue				
Accumulated amortization				
Premium received on bond issue, net of accumulated amortization				
Deferred charges, net of accumulated amortization	\$ 91,693	\$ 88,198	\$ 46,309	\$ 134,507
Current year amortization:				
Bond issue costs	\$ 4,923	\$ 43,029	\$ 6,819	\$ 49,848
Premium received on bond issue		(28,149)		(28,149)
Total current year amortization	\$ 4,923	\$ 14,880	\$ 6,819	\$ 21,699

When a bond or long-term contract is paid in full, any unamortized deferred costs are written off as current expenditures.

IV. Detailed Notes on all Funds (continued)

M. Prior Period Adjustment

In July 1998, the City entered into a contract to purchase water from the Gulf Coast Water Authority which included an agreement to provide funds to cover bonds obtained by the GCWA for waterline improvements within the corporate boundaries of the City. As of September 30, 2010, the assets acquired and the related debt were not accounted for in the City's financial statements. The results of these prior period adjustments are to increase net assets in the utility fund as follows:

	<u>Utility</u>
Beginning Net Assets - As Originally Presented	\$ 9,222,827
Restatements due to:	
Correction of prior year error in Utility Fund	382,828
Beginning Net Assets - As Restated	<u><u>\$ 9,605,655</u></u>

V. Other Information

A. Risk Management

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. A commitment for self-insurance has been established in the General and Enterprise Funds to provide a reservation of funds to cover the risk of loss for physical damage to vehicles. This designation is not, nor is it intended to be a traditional self-insurance program. It is rather a commitment of funds established to meet deductibles under the City's commercial insurance coverage. The Enterprise Fund designation is reported as unrestricted net assets.

	<u>Designated for Self Insurance</u>			
	<u>General Fund</u>	<u>Enterprise Funds</u>	<u>September 30, 2011</u>	<u>September 30, 2010</u>
Balance, October 1, 2010	\$ 40,000	\$ 7,500	\$ 47,500	\$ 47,500
Balance, September 30, 2011	<u><u>\$ 40,000</u></u>	<u><u>\$ 7,500</u></u>	<u><u>\$ 47,500</u></u>	<u><u>\$ 47,500</u></u>

For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

B. Health care Coverage

During the year ended September 30, 2011, employees of the City of La Marque, Texas were covered by a health insurance plan. The City paid \$941,608 in annual premiums to the Plan. All premiums were paid to a licensed insurer. The policy is renewable on an annual basis.

C. Deferred Compensation Plan

The City offers its employees the opportunity to participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 457. All assets and income of the plan are held in trust for the exclusive benefit of participants and their beneficiaries. The City provides neither administrative services nor investment advice for the plan. Accordingly, no assets or liabilities are reported in the financial statements of the City.

V. Other Information (continued)

D. Contingent Liabilities

Primary Government

Grants - The City receives significant financial assistance from numerous federal, state, and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions, specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City of La Marque, Texas at September 30, 2011.

Litigation - The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City.

Discretely Presented Component Unit

At September 30, 2011, there are no lawsuits pending against the Corporation which would in the opinion of legal counsel, result in claims which would have a material effect on the financial statements of the Corporation.

E. Other Post Employment Benefits

Plan Description

The City provides post-employment healthcare benefits as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA) to all employees who retire from the City of La Marque. Insurance premiums are fully funded by the City as required by council policy. During the year ended September 30, 2011 seventeen participants were eligible to receive benefits. The City paid \$130,593 in premiums to insure former employees.

Funding Policy and Annual OPEB Cost

The City's annual other post employment benefits (OPEB) cost is calculated on the Annual Required Contribution (ARC), an amount actuarially determined in accordance with the parameter of GASB Statement No. 45. The ARC represents a level of accrual that is projected to recognize the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. For financial reporting purposes, an actuarial valuation is required at least triennially for plans with fewer than 200 members. The City had its first OPEB actuarial valuation performed for the fiscal year beginning October 1, 2008, as required by GASB. The components of the City's annual OPEB cost for the fiscal year ending September 30, 2011, are as follows:

Other Post Employment Benefits (OPEB) Obligation	9/30/2011
Annual required contribution	\$ 694,533
Add: Interest on Net OPEB Obligation	
Less: Adjustments to the ARC	
Annual OPEB cost (expense)	694,533
Less: Net estimated employer contributions	(130,594)
Increase in net OPEB Obligation	563,939
Net OPEB Obligation, Beginning of Year	532,390
Net OPEB Obligation, End of Year	<u>\$ 1,096,329</u>

V. Other Information (continued)

E. Other Post Employment Benefits (continued)

Funding Status and Funding Progress

The funded status of the City's retiree health care plan, under GASB Statement No. 45 as of March 31, 2008 is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Actuarial Accrued Liability (UAAL) (b-a) (c)	Fund Ratio (%) (a/b)
3/31/2008	\$	\$ 6,291,130	\$ 6,291,130	0.0%

Under the reporting parameters, the City's retiree health care plan is 0% funded with an estimated actuarial liability exceeding actuarial assets by \$6,291,130 at March 31, 2008.

Actuarial Methods and Assumptions

The Projected Unit Credit, Level Percent of Payroll actuarial cost method has been used to calculate the GASB ARC for the City's retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systemic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability. If experience is in accordance with the assumptions used, the ARC will increase at approximately the same rate as active member payroll, and the ARC as a percentage of payroll will remain basically level on a year to year ratio. This is both an acceptable and reasonable cost method. The use of another actuarial cost method would produce different results. Significant methods and assumptions were as follows:

Actuarial Methods and Assumptions	
Actuarial valuation date	3/31/2008
Actuarial cost method	Projected unit credit cost method
Amortization method	Level percentage of payroll, open
Amortization period	30 years
Investment rate of return	4.5%
Projected salary increase	3.0% per annum
Inflation rate	7.0%
Healthcare cost trend	8.5%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the City's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

V. Other Information (continued)

F. Employee Retirement Systems and Pension Plans

Plan Description

The City provides pension benefits for all of its full-time employees through a nontraditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 842 currently administered by TMRS, an agent multiple-employer public employee retirement system.

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percent had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

Deposit Rate:	5%
Matching Ratio (City to Employee):	2 to 1
A member is vested after	5 years
Members can retire at certain ages, based on the years of service with the City.	
The Service Retirement Eligibilities for the City (expressed as years of service/age) are:	
	5 yrs/age 60, 20 yrs/any age

The City of La Marque is one of 842 municipalities having the benefit plan administered by TMRS. Each of the 842 municipalities have an annual, individual actuarial valuation performed. All assumptions for the 12/31/10 valuations are contained in the 2010 TMRS Comprehensive Annual Financial Report, a copy of which may be obtained by writing to P.O. Box 149153, Austin, Texas 78714-9153.

Contributions

Under the state law governing TMRS, the actuary annually determines the City contribution rate. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, both of which are calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the currently accruing monetary credits due to the City matching percent, which are the obligation of the City as of an employee's retirement date, not at the time the employee's contributions are made. The normal cost contribution rate is the actuarially determined percent of payroll necessary to satisfy the obligation of the City to each employee at the time his/her retirement becomes effective. The prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the remainder of the plan's 30-year amortization period. The projected unit credit actuarial cost method is used for determining the City contribution rate.

V. Other Information (continued)

F. Employee Retirement Systems and Pension Plans (continued)

Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect. (i.e. December 31, 2010 valuation is effective for rates beginning January 2012).

Schedule of Actuarial Liabilities and Funding Progress

Actuarial valuation date	12/31/2010 (2)	12/31/2010 (1)	12/31/09
Actuarial value of plan assets	\$14,674,835	\$ 8,091,302	\$ 8,423,904
Actuarial accrued liability	\$17,537,023	\$11,697,831	\$12,081,268
Percentage funded	83.68%	69.17%	69.73%
Unfunded (over-funded) actuarial accrued liability (AAL)	\$ 2,862,188	\$ 3,606,529	\$ 3,657,364
Annual covered payroll	\$ 5,260,484	\$ 5,260,484	\$ 5,494,998
UAAL as a percentage of covered payroll	54.41%	68.56%	66.56%
Net pension obligation (NPO) at the beginning of the period	\$	\$	\$
Annual pension costs:			
Annual required contribution (ARC)	\$ 557,783	\$ 557,783	\$ 464,145
Interest on NPO			
Adjustment to ARC			
Total annual pension costs	<u>557,783</u>	<u>557,783</u>	<u>464,145</u>
Annual reductions in NPO			
Contributions made	557,783	557,783	464,145
Increase in NPO			
Total annual reductions in NPO	<u>557,783</u>	<u>557,783</u>	<u>464,145</u>
NPO at the end of the period	<u>\$</u>	<u>\$</u>	<u>\$</u>

(1) Actuarial valuation performed under the original fund structure

(2) Actuarial valuation performed under the new fund structure

V. Other Information (continued)

F. Employee Retirement Systems and Pension Plans (continued)

General System-wide Actuarial Assumptions		
	12/31/2010-Restructured	12/31/2010-Prior to restructuring
Actuarial cost method -	Projected unit credit	Projected unit credit
Amortization method -	Level percent of payroll	Level percent of payroll
Remaining amortization period -	27 years - Closed period	27.1 years - Closed period
Amortization period for new		
Gains/Losses	30 years	30 years
Asset valuation method	10-year Smoothed Market	10-year Smoothed Market
Investment rate of return -	7.0%	7.5%
Projected salary increases -	Varies by age and service	Varies by age and service
Includes inflation at -	3.0%	3.0%
Cost-of-living adjustments -	2.1%	2.1%

Pension Plan B Supplemental Annuity Program

Description of Plan and Terms

Plan - The City maintains a supplemental annuity program, a single-employer defined benefit pension plan.

Plan Membership - All permanent employees of the City are eligible to qualify for the annuity program. The City funds and administers the annuity program. All employees of the City, who have a total of "80" points or more are eligible for the annuity program.

The calculation to determine the amount of points for an employee is to add the employee's number of years of service with the City as a full-time employee to the age of the employee at the time of retirement. This program is limited to full-time employees and seven annuitants, currently.

Plan Benefits - After an eligible employee has selected his retirement option under the Texas Municipal Retirement System and a determination of his monthly TMRS Annuity has been finalized, then that monthly TMRS Annuity would be multiplied by twenty-five percent (25%) to equal the amount of the Supplement the retiree would receive twelve (12) times each year. The amount of the Supplement would be revised annually should the TMRS Annuity change.

The Supplemental Annuity would cease when the employee reaches age sixty-five (65). In the event of death prior to age sixty-five (65), the surviving spouse would receive the Supplemental Annuity until age sixty (60).

Funding Requirements - The cost of the annuity program is funded by the employer. Annuity payments for the year ended September 30, 2011 were \$144,264. The annuity program is a limited program; therefore, unfunded liabilities will remain immaterial, and funding will remain approximately level over time. Annual contributions to the annuity program are from current resources.

G. Subsequent Events

In October 2011, the City refinanced \$4.39 million in outstanding Water and Sewer Revenue Bonds. The refinanced bonds were scheduled to mature in 2022 and carried interest rates that ranged from 2.50% to 4.55%. Interest rates were reduced to 2.05%. The City will save approximately \$215,000 in debt costs as a result of this refinancing transaction.



Set your sites on La Marque.

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Required Supplementary Information



Set your sites on La Marque.

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CITY OF LA MARQUE, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF FUNDING PROGRESS

Exhibit F-1

	(1)	(2)	(1)/(2)	(1)-(2)	(3)	(2)-(1)/(3)	(4)	(4)/(3)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded AAL (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll	Annual Pension Cost (September 30)	Average City Rate
12/31/2001	\$ 6,598,262	\$ 7,662,137	86.1%	\$ 1,063,875	\$ 2,719,416	39.1%	\$ 244,482	9.0%
12/31/2002	7,460,033	8,667,939	86.1%	1,207,906	3,319,943	36.4%	311,582	9.4%
12/31/2003	8,132,647	9,332,163	87.1%	1,199,516	3,291,494	36.4%	303,530	9.2%
12/31/2004	8,485,418	9,892,519	85.8%	1,407,101	3,752,132	37.5%	356,150	9.5%
12/31/2005	8,057,692	9,352,571	86.2%	1,294,879	4,162,216	31.1%	362,411	8.7%
12/31/2006	7,142,772	8,717,257	81.9%	1,574,485	4,106,101	38.3%	369,246	9.0%
12/31/2007	7,524,647	10,719,234	70.2%	3,194,587	4,591,438	69.6%	424,399	9.2%
12/31/2008	8,165,839	12,001,000	68.0%	3,835,161	5,413,034	70.9%	421,800	7.8%
12/31/2009	8,423,904	12,081,268	69.7%	3,657,364	5,494,998	66.6%	464,145	8.4%
12/31/2010 (1)	8,091,302	11,697,831	69.2%	3,606,529	5,260,484	68.6%	557,783	10.6%
12/31/2010 (2)	14,674,835	17,537,023	83.7%	2,862,188	5,260,484	54.4%	557,783	10.6%

(1) Actuarial valuation performed under the original fund structure

(2) Actuarial valuation performed under the new fund structure

Analysis of the dollar amounts of actuarial value of assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of Texas Municipal Retirement System's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Public Employee Retirement System. Trends in unfunded actuarial accrued liability and covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability and covered payroll approximately adjusts for the effects of inflation and aids analysis of Texas Municipal Retirement System's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Public Employee Retirement System.

CITY OF LA MARQUE, TEXAS
OTHER POST EMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS

Exhibit F-2

	(1)	(2)	(1)/(2)	(1)-(2)	(3)	(2)-(1)/(3)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded AAL (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
3/31/2008	\$	\$ 6,291,130	0.0%	\$ 6,291,130	4,591,438	137.0%

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Other Supplementary Information

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 Room Occupancy Tax Fund - This fund accounts for revenues derived from the City Room Occupancy Tax. State Statutes require that such revenues be used for (a) the acquisition of sites for and the construction, improvement, operation, and maintenance of convention center facilities; (b) advertising for general promotion and tourist advertising of the City; (c) the encouragement, promotion, improvement, and application of the site; and (d) historical preservation and restoration.

Justice Assistance Grant (JAG) – OSSI – This fund accounts for revenues and expenditures related to technology and data drive equipment, computer hardware and software for Community Policing activities. These funds are received from Galveston County, as part of a grant funded by the Department of Justice.

Drug Seizure Fund - This fund accounts for money and property forfeitures arising out of the Health and Safety Code (formerly the Controlled Substance Act). Proceeds are used only for law enforcement purposes.

Home Grant - This fund accounts for grants received to increase available funding to provide affordable housing and related services.

Public Improvement District - This fund accounts for assessments levied on property within Public Improvement Districts. The funds are used to pay debt related to infrastructure improvements within the City.

Section 8 Fund - This fund accounts for a federal grant from the United States Department of Housing and Urban Development used for housing assistance and utility payments.

Parks Fund - This fund accounts for the collection of donated park improvement funds restricted to park improvement activities.

Court Technology Fund - This fund accounts for the receipt of revenues from court fines and is restricted to expenditures for court technology.

Court Security Fund - This fund accounts for the receipt and expenditures of revenues from court fines for court security.

Child Safety Fund - This fund accounts for the receipt and expenditures of revenues derived from school zone violations and is restricted to funding for child safety initiatives.

LEOSE Training Fund - This fund accounts for revenues from the Law Enforcement Officer Standards and Education and is restricted to expenditures related to the continuing education and training of persons licensed as commissioned peace officers.

Motco Landscaping Fund - This fund accounts for revenues and expenditures related to beautification of a former industrial site.

Clean City Fund - This fund accounts for the revenues and expenditures related to enforcement of existing city ordinances.

Nonmajor Governmental Funds (continued)

Debt Service Fund

This fund is used to account for the accumulation of resources for the payment of interest and principal on long-term debt.

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CITY OF LA MARQUE, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2011

	Police Department Child Outreach Program	Hotel/Motel Occupancy Tax	JAG Grant - OSSI
Assets			
Cash and cash equivalents	\$ 4,870	\$ 173,001	\$ 255
Investments		608,718	
Property taxes receivable, net			
Other taxes receivable, net		15,995	
Due from other funds			24
Due from other governments			
Total assets	\$ 4,870	\$ 797,714	\$ 279
Liabilities			
Accounts payable	\$ 3,049	\$ 9,170	\$ 279
Accrued expenditures			
Due to other funds			
Due to other governments			
Deferred revenue			
Total liabilities	3,049	9,170	279
Fund Balance			
Restricted			
Capital projects			
Debt service			
Federal/State grants			
General government		788,544	
Public safety	1,821		
Public works			
Total fund balance	1,821	788,544	
Total liabilities and fund balances	\$ 4,870	\$ 797,714	\$ 279

Drug Seizure	Home Grant	Public Improvement District	Section 8 Fund	Parks Fund
\$ 5,547	\$ 2	\$ 63,757	\$ 103,249	\$ 44,792
	38,550	31,000		
			1,291	
<u>\$ 5,547</u>	<u>\$ 38,552</u>	<u>\$ 94,757</u>	<u>\$ 104,540</u>	<u>\$ 44,792</u>
\$ 1,845 139		\$ 61,594	\$ 12,238	\$ 424
		31,000		
			81,727	
<u>1,984</u>		<u>92,594</u>	<u>93,965</u>	<u>424</u>
	38,552		10,575	
3,563				
		2,163		44,368
<u>3,563</u>	<u>38,552</u>	<u>2,163</u>	<u>10,575</u>	<u>44,368</u>
<u>\$ 5,547</u>	<u>\$ 38,552</u>	<u>\$ 94,757</u>	<u>\$ 104,540</u>	<u>\$ 44,792</u>

CITY OF LA MARQUE, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2011

	Court Technology Fund	Court Security Fund	Child Safety Fund
Assets			
Cash and cash equivalents	\$ 29	\$ 36,926	\$ 26,686
Investments			
Property taxes receivable, net			
Other taxes receivable, net			
Due from other funds		15,550	
Due from other governments			
Total assets	\$ 29	\$ 52,476	\$ 26,686
Liabilities			
Accounts payable	\$	\$	\$ 1,828
Accrued expenditures			
Due to other funds	15,550		
Due to other governments			
Deferred revenue			
Total liabilities	15,550		1,828
Fund Balance			
Restricted			
Capital projects			
Debt service			
Federal/State grants			
General government	(15,521)	52,476	
Public safety			24,858
Public works			
Assigned			
Encumbrances			
Other assigned			
Unassigned			
Total fund balance	(15,521)	52,476	24,858
Total liabilities and fund balances	\$ 29	\$ 52,476	\$ 26,686

Leose Training Fund	Motco Landscaping Fund	Clean City Fund	Total Nonmajor Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
\$ 11,556	\$ 11,154	\$ 20,040	\$ 501,864	\$ 480,996	\$ 982,860
			608,718	299,487	908,205
				108,442	108,442
			15,995		15,995
			85,124		85,124
			1,291		1,291
<u>\$ 11,556</u>	<u>\$ 11,154</u>	<u>\$ 20,040</u>	<u>\$ 1,212,992</u>	<u>\$ 888,925</u>	<u>\$ 2,101,917</u>
\$	\$	\$	\$ 88,582	\$	\$ 88,582
			1,845	2,918	4,763
			46,689		46,689
			81,727		81,727
				59,295	59,295
			<u>218,843</u>	<u>62,213</u>	<u>281,056</u>
				826,712	826,712
			49,127		49,127
			825,499		825,499
11,556			41,798		41,798
	11,154	20,040	77,725		77,725
<u>11,556</u>	<u>11,154</u>	<u>20,040</u>	<u>994,149</u>	<u>826,712</u>	<u>1,820,861</u>
<u>\$ 11,556</u>	<u>\$ 11,154</u>	<u>\$ 20,040</u>	<u>\$ 1,212,992</u>	<u>\$ 888,925</u>	<u>\$ 2,101,917</u>

CITY OF LA MARQUE, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2011

	Police Department Child Outreach Program	Hotel/Motel Occupancy Tax	JAG Grant - OSSI	Drug Seizure
Revenues				
Taxes:				
Property	\$	\$	\$	\$
Other		93,417		
Intergovernmental revenue			112,709	
Investment earnings		1,128	24	
Other revenue	5,454			2,799
Total revenues	<u>5,454</u>	<u>94,545</u>	<u>112,733</u>	<u>2,799</u>
Expenditures				
Current:				
General government		88,125		
Public safety	3,633		71,592	4,079
Public works				
Urban rehabilitation and housing				
Debt service:				
Principal on long-term debt				
Interest and fiscal charges				
Capital outlay:				
Public safety			41,117	
Total expenditures	<u>3,633</u>	<u>88,125</u>	<u>112,709</u>	<u>4,079</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>1,821</u>	<u>6,420</u>	<u>24</u>	<u>(1,280)</u>
Other Financing Sources (Uses)				
Transfer in				
Transfers (out)		(20,000)		
Total other financing sources (uses)		<u>(20,000)</u>		
Net change in fund balances	1,821	(13,580)	24	(1,280)
Fund balances - October 1 (Beginning)		802,124	(24)	4,843
Fund balances - September 30 (Ending)	<u>\$ 1,821</u>	<u>\$ 788,544</u>	<u>\$</u>	<u>\$ 3,563</u>

<u>Home Grant</u>	<u>Public Improvement District</u>	<u>Section 8 Fund</u>	<u>Parks Fund</u>
\$	\$ 240,564	\$	\$
		1,341,155	
		91,963	17,750
	240,564	1,433,118	17,750
		56,509	
	257,242	1,437,041	10,626
	257,242	1,493,550	10,626
	(16,678)	(60,432)	7,124
	(16,678)	(60,432)	7,124
38,552	18,841	71,007	37,244
\$ 38,552	\$ 2,163	\$ 10,575	\$ 44,368

CITY OF LA MARQUE, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2011

	Court Technology Fund	Court Security Fund	Child Safety Fund	Leose Training Fund
Revenues				
Taxes:				
Property	\$	\$	\$	\$
Other				
Intergovernmental revenue				
Investment earnings				
Other revenue	12,275	9,465	1,816	3,975
Total revenues	<u>12,275</u>	<u>9,465</u>	<u>1,816</u>	<u>3,975</u>
Expenditures				
Current:				
General government	29,238	2,718		397
Public safety				731
Public works				
Urban rehabilitation and housing				
Debt service:				
Principal on long-term debt				
Interest and fiscal charges				
Capital outlay:				
Public safety				
Total expenditures	<u>29,238</u>	<u>2,718</u>	<u></u>	<u>1,128</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(16,963)</u>	<u>6,747</u>	<u>1,816</u>	<u>2,847</u>
Other Financing Sources (Uses)				
Transfer in				
Transfers (out)		(5,000)		
Total other financing sources (uses)	<u></u>	<u>(5,000)</u>	<u></u>	<u></u>
Net change in fund balances	(16,963)	1,747	1,816	2,847
Fund balances - October 1 (Beginning)	<u>1,442</u>	<u>50,729</u>	<u>23,042</u>	<u>8,709</u>
Fund balances - September 30 (Ending)	<u>\$ (15,521)</u>	<u>\$ 52,476</u>	<u>\$ 24,858</u>	<u>\$ 11,556</u>

Motco Landscaping Fund	Clean City Fund	Total Nonmajor Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
\$	\$	\$ 240,564	\$ 663,659	\$ 904,223
		93,417		93,417
		1,453,864		1,453,864
		1,152	452	1,604
	17,730	163,227		163,227
	17,730	1,952,224	664,111	2,616,335
	6,091	183,078		183,078
		80,035		80,035
		267,868		267,868
		1,437,041		1,437,041
			246,050	246,050
			274,356	274,356
		41,117		41,117
	6,091	2,009,139	520,406	2,529,545
	11,639	(56,915)	143,705	86,790
	4,675	4,675		4,675
		(25,000)	(20,000)	(45,000)
	4,675	(20,325)	(20,000)	(40,325)
	16,314	(77,240)	123,705	46,465
11,154	3,726	1,071,389	703,007	1,774,396
\$ 11,154	\$ 20,040	\$ 994,149	\$ 826,712	\$ 1,820,861

CITY OF LA MARQUE, TEXAS
HOTEL / MOTEL OCCUPANCY TAX FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended September 30, 2011

Exhibit G-3

	Budgeted Amounts			Variance With Final Budget (Negative)
	Original	Final	Actual	
Revenues				
Taxes:				
Other	\$ 85,000	\$ 85,000	\$ 93,417	\$ 8,417
Investment earnings	1,000	1,000	1,128	128
Total revenues	<u>86,000</u>	<u>86,000</u>	<u>94,545</u>	<u>8,545</u>
Expenditures				
Current:				
General government	120,000	120,000	88,125	31,875
Total expenditures	<u>120,000</u>	<u>120,000</u>	<u>88,125</u>	<u>31,875</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(34,000)</u>	<u>(34,000)</u>	<u>6,420</u>	<u>40,420</u>
Other Financing Sources (Uses)				
Transfer in				
Transfers (out)			(20,000)	(20,000)
Total other financing sources (uses)			<u>(20,000)</u>	<u>(20,000)</u>
Net change in fund balances	(34,000)	(34,000)	(13,580)	20,420
Fund balances - Beginning	<u>802,124</u>	<u>802,124</u>	<u>802,124</u>	
Fund balances - Ending	<u>\$ 768,124</u>	<u>\$ 768,124</u>	<u>\$ 788,544</u>	<u>\$ 20,420</u>

CITY OF LA MARQUE, TEXAS

Exhibit G-4

DEBT SERVICE

STATEMENT OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended September 30, 2011

	Budgeted Amounts			Variance With Final Budget (Negative)
	Original	Final	Actual	
Revenues				
Taxes:				
Property	\$ 568,400	\$ 568,400	\$ 663,659	\$ 95,259
Investment earnings	1,500	1,500	452	(1,048)
Total revenues	<u>569,900</u>	<u>569,900</u>	<u>664,111</u>	<u>94,211</u>
Expenditures				
Debt service:				
Principal on long-term debt	258,000	258,000	246,050	11,950
Interest and fiscal charges	<u>276,356</u>	<u>276,356</u>	<u>274,356</u>	<u>2,000</u>
Total expenditures	<u>534,356</u>	<u>534,356</u>	<u>520,406</u>	<u>13,950</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>35,544</u>	<u>35,544</u>	<u>143,705</u>	<u>108,161</u>
Other Financing Sources (Uses)				
Transfer in				
Transfers (out)			(20,000)	(20,000)
Total other financing sources (uses)			<u>(20,000)</u>	<u>(20,000)</u>
Net change in fund balances	<u>35,544</u>	<u>35,544</u>	<u>123,705</u>	<u>88,161</u>
Fund balances - Beginning	<u>703,007</u>	<u>703,007</u>	<u>703,007</u>	
Fund balances - Ending	<u>\$ 738,551</u>	<u>\$ 738,551</u>	<u>\$ 826,712</u>	<u>\$ 88,161</u>



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Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Equipment Replacement - to account for the internal cash funding for equipment replacement costs as needed by City departments.

Equipment Maintenance Insurance - to account for the internal cash funding for equipment maintenance insurance costs as needed by City departments.

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CITY OF LA MARQUE, TEXAS
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
September 30, 2011

Exhibit H-1

	Equipment Replacement	Equipment Maintenance Insurance	Total
Assets			
Current assets:			
Unrestricted:			
Cash and cash equivalents	\$ 649	\$ 29,636	\$ 30,285
Investments	964,477		964,477
Total current assets	<u>965,126</u>	<u>29,636</u>	<u>994,762</u>
Total assets	<u>\$ 965,126</u>	<u>\$ 29,636</u>	<u>\$ 994,762</u>
Liabilities			
Current liabilities:			
Accounts payable	\$ 224,000	\$ 342	\$ 224,342
Due to other funds	224,000		224,000
Total current liabilities	<u>224,000</u>	<u>342</u>	<u>224,342</u>
Total liabilities	<u>224,000</u>	<u>342</u>	<u>224,342</u>
Net Assets			
Unrestricted	741,126	29,294	770,420
Total net assets	<u>\$ 741,126</u>	<u>\$ 29,294</u>	<u>\$ 770,420</u>

CITY OF LA MARQUE, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
For The Year Ended September 30, 2011

Exhibit H-2

	Equipment Replacement	Equipment Maintenance Insurance	Total
Operating revenues			
Charges for services	\$ 45,392	\$	\$ 45,392
Total operating revenues	<u>45,392</u>		<u>45,392</u>
Operating expenses			
Miscellaneous services		8,498	8,498
Total operating expenses		<u>8,498</u>	<u>8,498</u>
Operating income	<u>45,392</u>	<u>(8,498)</u>	<u>36,894</u>
Non-operating revenues (expenses)			
Investment earnings	<u>1,610</u>		<u>1,610</u>
Total non-operating revenues (expenses)	<u>1,610</u>		<u>1,610</u>
Income before contributions and transfers	<u>47,002</u>	<u>(8,498)</u>	<u>38,504</u>
Contributions and transfers			
Transfer in		15,690	15,690
Transfers (out)	<u>(226,836)</u>		<u>(226,836)</u>
Total contributions and transfers	<u>(226,836)</u>	<u>15,690</u>	<u>(211,146)</u>
Change in net assets	<u>(179,834)</u>	<u>7,192</u>	<u>(172,642)</u>
Total net assets - Beginning	<u>920,960</u>	<u>22,102</u>	<u>943,062</u>
Total net assets - Ending	<u>\$ 741,126</u>	<u>\$ 29,294</u>	<u>\$ 770,420</u>

CITY OF LA MARQUE, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2011

Exhibit H-3

	Equipment Replacement	Equipment Maintenance Insurance	Total
Cash flows from operating activities:			
Receipts from interfund services provided	\$ 45,392	\$	\$ 45,392
Cash paid to suppliers for goods and services		(9,228)	(9,228)
Net cash provided by operating activities	<u>45,392</u>	<u>(9,228)</u>	<u>36,164</u>
Cash flows from non-capital financing activities:			
Transfers in		15,690	15,690
Transfers (out)	(226,836)		(226,836)
Interfund cash receipts	<u>182,000</u>		<u>182,000</u>
Cash payments to component unit			
Net cash used for non-capital financing activities	<u>(44,836)</u>	<u>15,690</u>	<u>(29,146)</u>
Cash flows from investing activities:			
Purchase of investments	(1,610)		(1,610)
Interest received from investments	<u>1,610</u>		<u>1,610</u>
Net cash from investing activities			
Net increase (decrease) in cash and cash equivalents	556	6,462	7,018
Cash and cash equivalents, beginning of year	<u>93</u>	<u>23,174</u>	<u>23,267</u>
Cash and cash equivalents, end of year	<u>\$ 649</u>	<u>\$ 29,636</u>	<u>\$ 30,285</u>
Reconciliation of net operating income to net cash provided by operating activities:			
Net operating income (loss)	\$ 45,392	\$ (8,498)	\$ 36,894
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:			
Non-operating income (expense)			
Change in assets and liabilities:			
Increase (decrease) in accounts payable		(730)	(730)
Total adjustments		<u>(730)</u>	<u>(730)</u>
Net cash provided by operating activities	<u>\$ 45,392</u>	<u>\$ (9,228)</u>	<u>\$ 36,164</u>

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Supplemental Schedules

CITY OF LA MARQUE, TEXAS
COMBINED SCHEDULE OF INVESTMENTS - ALL FUNDS
September 30, 2011

Description	Account Number	Interest Rate	Maturity Date	Book Value	Fair Value
General fund					
Texpool	12640-00001	0.0929	N/A	\$ 591,215	\$ 591,215
Logic	746012995-01	0.1381	N/A	51,377	51,377
Total general fund				<u>642,592</u>	<u>642,592</u>
Special revenue fund					
<i>Hotel / Motel Occupance Tax fund</i>					
Texpool	12640-00001	0.0929	N/A	29,538	29,538
Logic	746012995-01	0.1381	N/A	579,180	579,180
Total Hotel / Motel Occupancy Tax fund				<u>608,718</u>	<u>608,718</u>
Total special revenue fund				<u>608,718</u>	<u>608,718</u>
Debt service fund					
Texpool	12640-00001	0.0929	N/A	183,036	183,036
Logic	746012995-01	0.1381	N/A	116,451	116,451
Total debt service fund				<u>299,487</u>	<u>299,487</u>
Capital projects					
Texpool	12640-00002	0.0929	N/A	903,414	903,414
Texpool	12640-00003	0.0929		3,454,810	3,454,810
Total capital projects				<u>4,358,224</u>	<u>4,358,224</u>
Enterprise funds					
<i>Utility fund</i>					
Restricted investments:					
Revenue bond debt service					
Texpool	12640-00001	0.0929	N/A	264,817	264,817
Certificate of deposit	74-0068338	0.2500	2012	41,068	41,068
Certificate of deposit	74-0068338	0.3600	2012	23,200	23,200
Certificate of deposit	74-0088346	0.2500	2012	295,580	295,580
				<u>624,665</u>	<u>624,665</u>
Plant and lines reserve					
Logic	746012995-01	0.1381	N/A	3,463	3,463
				<u>3,463</u>	<u>3,463</u>
Meter replacement reserve					
DWS	654-0001279	0.0700	N/A	1,756	1,756
Texpool	12640-00001	0.0929	N/A	1,926	1,926
				<u>3,682</u>	<u>3,682</u>
Total restricted investments				<u>631,810</u>	<u>631,810</u>
Unrestricted investments:					
Texpool	12640-00001	0.0929	N/A	1,019,599	1,019,599
Logic	746012995-01	0.1381	N/A	840,667	840,667
DWS	6540001312	0.0700	N/A	354,889	354,889
Total unrestricted investments				<u>2,215,155</u>	<u>2,215,155</u>
Total utility fund				<u>2,846,965</u>	<u>2,846,965</u>

Description	Account Number	Interest Rate	Maturity Date	Book Value	Fair Value
Enterprise funds (Continued)					
<i>Waterworks and sewer system fund</i>					
Restricted investments:					
DWS	654-000-1312	2.00	N/A	\$ 260,206	\$ 260,206
Total restricted investments				<u>260,206</u>	<u>260,206</u>
Total waterworks and sewer system fund				<u>260,206</u>	<u>260,206</u>
Total enterprise funds				<u>3,107,171</u>	<u>3,107,171</u>
Internal service funds					
<i>Equipment replacement fund</i>					
Texpool	12640-00001	2.41	N/A	84,804	84,804
DWS	654-0001279	2.00	N/A	768,436	768,436
Logic	746012995-01	3.16	N/A	111,237	111,237
Total equipment replacement fund				<u>964,477</u>	<u>964,477</u>
Total internal service fund				<u>964,477</u>	<u>964,477</u>
Total - all funds				<u>\$ 9,980,669</u>	<u>\$ 9,980,669</u>

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CITY OF LA MARQUE, TEXAS
SCHEDULE OF CHANGES IN PROPERTY TAXES RECEIVABLE
(modified accrual basis of accounting)
For the Year Ended September 30, 2011

Exhibit I-2

Taxes to account for:

Delinquent taxes, October 1, 2010	\$ 587,237	
Additions and deletions, net	<u>(14,523)</u>	
Delinquent taxes, October 1, 2010		\$ 572,714
Current taxes levied, per 2010 tax roll		<u>3,099,788</u>

Total taxes to account for **\$ 3,672,502**

Less collections:

Current taxes	2,973,995	
Delinquent taxes	<u>121,247</u>	

Total collections **3,095,242**

Ending balance to account for **\$ 577,260**

Accounted for by:

Delinquent taxes, from 2010 tax roll	\$ 125,793	
Delinquent taxes receivable, all previous years	<u>451,467</u>	

Delinquent taxes receivable, September 30, 2011 **\$ 577,260**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Collection rates:						
Current year levy	95.94%	95.16%	95.79%	95.26%	94.79%	94.31%
Prior year levies	21.17%	19.47%	18.14%	19.84%	23.34%	23.72%

Note: See Table 7 for assessed taxable value information and Table 8 for tax rate information.

CITY OF LA MARQUE, TEXAS**COMBINED SCHEDULE OF BONDS AND OTHER LONG-TERM DEBT***September 30, 2011*

Description	Interest Rates	Interest Dates	Issue Date
Revenue bonds			
Water and sewer revenue bonds - Series 1996	3.00% to 4.55%	3/1; 9/1	9/26/1996
Water and sewer revenue bonds - Series 1998	2.50% to 3.65%	3/1; 9/1	7/15/1998
Total revenue bonds			
Long-term contracts payable			
Water system contract revenue bonds - Series 1998D	4.15% to 5.00%	2/15; 8/15	7/1/1998
Water system contract revenue bonds - Series 2011B	2.00% to 5.00%	2/15; 8/15	5/15/2011
Total long-term contracts payable			
Certificates of obligation			
Series 2005	4.00% to 5.00%	3/1; 9/1	6/1/2005
Series 2007	4.50% to 4.75%	3/1; 9/1	5/14/2007
Total revenue bonds			

Final Maturity Date	Authorized and Issued	Outstanding, September 30, 2011	2011 - 2012 Requirements		
			Principal	Interest	Total
9/1/2016	\$ 4,440,000	\$ 1,795,000	\$ 330,000	\$ 80,657	\$ 410,657
9/1/2018	<u>4,600,000</u>	<u>2,595,000</u>	<u>270,000</u>	<u>92,600</u>	<u>362,600</u>
	<u>\$ 9,040,000</u>	<u>\$ 4,390,000</u>	<u>\$ 600,000</u>	<u>\$ 173,257</u>	<u>\$ 773,257</u>
8/15/2022	\$ 3,040,000	\$ 2,330,000	\$ 160,000	\$ 116,340	\$ 276,340
8/15/2022	<u>342,952</u>	<u>329,271</u>	<u>25,892</u>	<u>11,295</u>	<u>37,187</u>
	<u>\$ 3,382,952</u>	<u>\$ 2,659,271</u>	<u>\$ 185,892</u>	<u>\$ 127,635</u>	<u>\$ 313,527</u>
9/1/2029	\$ 3,490,000	\$ 2,920,000	\$ 105,000	\$ 125,230	\$ 230,230
9/1/2029	<u>3,750,000</u>	<u>3,360,000</u>	<u>125,000</u>	<u>137,426</u>	<u>262,426</u>
	<u>\$ 8,165,000</u>	<u>\$ 6,280,000</u>	<u>\$ 230,000</u>	<u>\$ 262,656</u>	<u>\$ 492,656</u>



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CITY OF LA MARQUE, TEXAS
DEBT SERVICE REQUIREMENTS TO MATURITY
WATER AND SEWER REVENUE BONDS - SERIES 1996
September 30, 2011

Exhibit I-4

WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 1996, dated September 26, 1996, issued for the purpose of improving and extending the City's waterworks and sanitary sewer system, issued in denominations of \$5,000 each, aggregating \$4,440,000, bearing interest at the respective rates per annum shown below, interest payable on March 1 and September 1 of each year until maturity or prior redemption as follows:

Maturities				
Due During Fiscal Year	Interest Rate	Principal	Interest	Total
2012	4.35	\$ 330,000	\$ 80,657	\$ 410,657
2013	4.40	340,000	66,138	406,138
2014	4.45	360,000	51,007	411,007
2015	4.50	375,000	34,808	409,808
2016	4.55	390,000	17,745	407,745
		<u>\$ 1,795,000</u>	<u>\$ 250,355</u>	<u>\$ 2,045,355</u>

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CITY OF LA MARQUE, TEXAS
DEBT SERVICE REQUIREMENTS TO MATURITY
WATER AND SEWER REVENUE BONDS - SERIES 1998
September 30, 2011

Exhibit I-5

WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 1998, dated July 15, 1998, issued for the purpose of constructing improvements and extending the City's sanitary sewer system, issued in denominations of \$5,000 each, aggregating \$4,600,000, bearing interest at the respective rates per annum shown below, interest payable on March 1 and September 1 of each year until maturity or prior redemption as follows:

Maturities				
Due During Fiscal Year	Interest Rate	Principal	Interest	Total
2012	3.30	\$ 270,000	\$ 92,600	\$ 362,600
2013	3.40	280,000	83,420	363,420
2014	3.45	285,000	73,760	358,760
2015	3.50	300,000	63,785	363,785
2016	3.55	310,000	53,135	363,135
2017	3.60	575,000	41,975	616,975
2018	3.65	575,000	20,987	595,987
		<u>\$ 2,595,000</u>	<u>\$ 429,662</u>	<u>\$ 3,024,662</u>

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CITY OF LA MARQUE, TEXAS
DEBT SERVICE REQUIREMENTS TO MATURITY
ALL WATER AND SEWER REVENUE BONDS
September 30, 2011

Exhibit I-6

Due During Fiscal Year	Net Debt Outstanding, September 30	Principal	Interest	Total Requirements
2012	\$ 3,790,000	\$ 600,000	\$ 173,257	\$ 773,257
2013	3,170,000	620,000	149,558	769,558
2014	2,525,000	645,000	124,767	769,767
2015	1,850,000	675,000	98,593	773,593
2016	1,150,000	700,000	70,880	770,880
2017	575,000	575,000	41,975	616,975
2018		575,000	20,987	595,987
		<u>\$ 4,390,000</u>	<u>\$ 680,017</u>	<u>\$ 5,070,017</u>

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CITY OF LA MARQUE, TEXAS**Exhibit I-7****SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY****ALL LONG-TERM DEBT****September 30, 2011**

Due During Fiscal Year	Revenue Bonds	Certificates of Obligation	Water Contract Revenue Bonds	Total Requirements
2012	\$ 773,257	\$ 493,356	\$ 227,229	\$ 1,493,842
2013	769,558	492,656	249,750	1,511,964
2014	769,767	491,469	249,650	1,510,886
2015	773,593	490,944	247,650	1,512,187
2016	770,880	495,269	244,050	1,510,199
2017	616,975	498,944	245,450	1,361,369
2018	595,987	496,994	248,050	1,341,031
2019		500,713	245,250	745,963
2020		498,856	250,250	749,106
2021		501,251	244,500	745,751
2022		503,037	283,500	786,537
2023		508,837		508,837
2024		508,813		508,813
2025		513,000		513,000
2026		511,353		511,353
2027		514,070		514,070
2028		515,850		515,850
2029		521,790		521,790
2030		521,322		521,322
	<u>\$ 5,070,017</u>	<u>\$ 9,578,524</u>	<u>\$ 2,735,329</u>	<u>\$ 17,383,870</u>

CITY OF LA MARQUE TEXAS
STATISITICAL SECTION

This part of the City of La Marque’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

Contents	Page
<i>Financial Trends</i>	112
These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	119
These schedules contain information to help the reader access the government’s most significant local revenue source, the property tax.	
<i>Debt Capacity</i>	134
These schedules present information, to help the reader assess the affordability of the government’s, current levels, of outstanding debt and the government’s ability to issue additional debt in the future.	
<i>Demographic and Economic Information</i>	141
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	
<i>Operating Information</i>	146
These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF LA MARQUE, TEXAS

NET ASSETS BY COMPONENT

LAST TEN FISCAL YEARS

(accrual basis of accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008*</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 9,205,445	\$ 8,753,379	\$ 5,092,044	\$ 5,852,966
Restricted	4,726,794	5,253,002	4,845,965	5,147,167
Unrestricted	277,846	2,077,749	3,961,772	3,542,276
Total governmental activities net assets	<u><u>\$ 14,210,085</u></u>	<u><u>\$ 16,084,130</u></u>	<u><u>\$ 13,899,781</u></u>	<u><u>\$ 14,542,409</u></u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 6,058,353	\$ 6,157,984	\$ 6,911,560	\$ 7,175,278
Restricted	737,897	408,817	277,879	336,366
Unrestricted	4,214,268	3,191,670	3,401,902	3,303,907
Total business-type activities net assets	<u><u>\$ 11,010,518</u></u>	<u><u>\$ 9,758,471</u></u>	<u><u>\$ 10,591,341</u></u>	<u><u>\$ 10,815,551</u></u>
Primary government				
Invested in capital assets, net of related debt	\$ 15,263,798	\$ 14,911,363	\$ 12,003,604	\$ 13,028,244
Restricted	5,464,691	5,661,819	5,123,844	5,483,533
Unrestricted	4,492,114	5,269,419	7,363,674	6,846,183
Total primary government net assets	<u><u>\$ 25,220,603</u></u>	<u><u>\$ 25,842,601</u></u>	<u><u>\$ 24,491,122</u></u>	<u><u>\$ 25,357,960</u></u>

Note:

Governmental Accounting Standards Board Statement No. 34 implemented during the fiscal year ended September, 30, 2003, therefore no government-wide information is presented prior to that date.

* During the year ended September 30, 2007, the City retroactively reported its general infrastructure assets in accordance with GASB 34.

Table 1

2007	2006	2005	2004	2003	2002
\$ 10,126,850	\$ 3,072,404	\$ 2,726,395	\$ 2,690,543	\$ 2,279,987	\$
901,932	3,621,242	418,911	387,551	374,052	
3,545,879	983,738	3,217,289	3,064,707	2,744,373	
<u>\$ 14,574,661</u>	<u>\$ 7,677,384</u>	<u>\$ 6,362,595</u>	<u>\$ 6,142,801</u>	<u>\$ 5,398,412</u>	<u>\$</u>
\$ 7,721,479	\$ 7,656,487	\$ 8,253,056	\$ 8,285,324	\$ 8,689,599	\$
297,143	297,404	297,191	301,553	752,129	
3,624,165	4,067,153	3,629,381	3,536,111	3,064,490	
<u>\$ 11,642,787</u>	<u>\$ 12,021,044</u>	<u>\$ 12,179,628</u>	<u>\$ 12,122,988</u>	<u>\$ 12,506,218</u>	<u>\$</u>
\$ 17,848,329	\$ 10,728,891	\$ 10,979,451	\$ 10,975,867	\$ 10,969,586	\$
1,199,075	3,918,646	716,102	689,104	1,126,181	
7,170,044	5,050,891	6,846,670	6,600,818	5,808,863	
<u>\$ 26,217,448</u>	<u>\$ 19,698,428</u>	<u>\$ 18,542,223</u>	<u>\$ 18,265,789</u>	<u>\$ 17,904,630</u>	<u>\$</u>

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CITY OF LA MARQUE, TEXAS

CHANGES IN NET ASSETS

LAST TEN FISCAL YEARS

(Accrual basis of accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Expenses				
Governmental activities:				
General government	\$ 1,809,565	\$ 1,731,537	\$ 1,738,775	\$ 1,442,025
Public safety	6,071,570	5,402,425	5,739,176	5,752,724
Public works	2,397,789	2,675,651	4,508,388	2,469,011
Sanitation	1,386,553	1,351,656	1,321,865	1,348,961
Urban rehabilitation and housing	1,437,041	305,417	395,837	368,902
Interest on long-term debt	278,078	288,674	298,449	342,517
Total governmental activities expenses	<u>13,380,596</u>	<u>11,755,360</u>	<u>14,002,490</u>	<u>11,724,140</u>
Business-type activities:				
Utility	4,690,697	4,522,486	4,313,755	4,635,935
Water and sewer	272,960	277,661	284,118	292,025
C.D.B.G.	19,494	19,494		
Total business-type activities expenses	<u>4,983,151</u>	<u>4,819,641</u>	<u>4,597,873</u>	<u>4,927,960</u>
Total primary government expenses	<u>\$ 18,363,747</u>	<u>\$ 16,575,001</u>	<u>\$ 18,600,363</u>	<u>\$ 16,652,100</u>
Program revenues:				
Governmental activities:				
Charges for services:				
General government	\$ 63,636	\$ 54,831	\$ 44,148	\$ 31,870
Public safety	1,340,225	1,423,666	1,564,906	1,280,033
Public works	12,822	99,757	14,846	71,420
Sanitation	1,547,338	1,511,130	1,457,459	1,204,840
Operating grants and contributions	1,622,102	3,448,907	1,975,646	1,632,953
Total governmental activities program revenues	<u>4,586,123</u>	<u>6,538,291</u>	<u>5,057,005</u>	<u>4,221,116</u>
Business-type activities:				
Charges for services:				
Utility	4,488,898	4,114,624	4,398,458	4,012,609
Operating grants and contributions	1,311,663	41,596		487,761
Total business-type activities program revenues	<u>5,800,561</u>	<u>4,156,220</u>	<u>4,398,458</u>	<u>4,500,370</u>
Total primary government program revenues	<u>\$ 10,386,684</u>	<u>\$ 10,694,511</u>	<u>\$ 9,455,463</u>	<u>\$ 8,721,486</u>
Net (expense) revenue:				
Governmental activities	\$ (8,794,473)	\$ (5,217,069)	\$ (8,945,485)	\$ (7,503,024)
Business-type activities	817,410	(663,421)	(199,415)	(427,590)
Total primary government net (expense) revenue	<u>\$ (7,977,063)</u>	<u>\$ (5,880,490)</u>	<u>\$ (9,144,900)</u>	<u>\$ (7,930,614)</u>

Note: Governmental Accounting Standards Board Statement No. 34 implemented during the fiscal year ended September, 30, 2003, therefore no government-wide information is presented prior to that date.

Table 2
(Page 1 of 2)

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 1,446,482	\$ 1,278,647	\$ 1,648,150	\$ 1,129,942	\$ 997,260	\$
5,017,928	4,645,576	4,013,207	3,559,871	3,319,003	
2,344,263	1,338,798	1,455,906	1,461,246	1,416,337	
1,189,657	968,143	949,185	908,298	860,492	
290,050	257,455	334,786	342,723	294,493	
183,369	181,040	87,263	52,032	65,367	
<u>10,471,749</u>	<u>8,669,659</u>	<u>8,488,497</u>	<u>7,454,112</u>	<u>6,952,952</u>	
4,415,293	4,130,361	3,635,149	3,537,456	3,561,305	
297,685	302,266	312,753	319,698	298,928	
<u>4,712,978</u>	<u>4,432,627</u>	<u>3,947,902</u>	<u>3,857,154</u>	<u>3,860,233</u>	
<u>\$ 15,184,727</u>	<u>\$ 13,102,286</u>	<u>\$ 12,436,399</u>	<u>\$ 11,311,266</u>	<u>\$ 10,813,185</u>	<u>\$</u>
\$ 31,813	\$ 30,382	\$ 89,357	\$ 59,007	\$ 59,911	\$
1,340,956	1,072,680	808,234	726,167	583,627	
52,038	12,833	3,430	3,400	2,029	
1,072,582	1,279,813	1,216,847	1,151,260	1,110,206	
626,748	696,743	684,501	465,416	396,030	
<u>3,124,137</u>	<u>3,092,451</u>	<u>2,802,369</u>	<u>2,405,250</u>	<u>2,151,803</u>	
3,565,565	4,233,425	3,957,986	3,451,286	3,428,313	
349,362	14,557				
<u>3,914,927</u>	<u>4,247,982</u>	<u>3,957,986</u>	<u>3,451,286</u>	<u>3,428,313</u>	
<u>\$ 7,039,064</u>	<u>\$ 7,340,433</u>	<u>\$ 6,760,355</u>	<u>\$ 5,856,536</u>	<u>\$ 5,580,116</u>	<u>\$</u>
\$ (7,347,612)	\$ (5,577,208)	\$ (5,686,128)	\$ (5,048,862)	\$ (4,801,149)	\$
(798,051)	(184,645)	10,084	(405,868)	(431,920)	
<u>\$ (8,145,663)</u>	<u>\$ (5,761,853)</u>	<u>\$ (5,676,044)</u>	<u>\$ (5,454,730)</u>	<u>\$ (5,233,069)</u>	<u>\$</u>

CITY OF LA MARQUE, TEXAS

CHANGES IN NET ASSETS

LAST TEN FISCAL YEARS

(Accrual basis of accounting)

	2011	2010	2009	2008
General revenues and other changes in net assets:				
Governmental activities:				
Taxes:				
Property taxes	\$ 3,444,748	\$ 3,357,784	\$ 3,401,897	\$ 3,197,668
Sales taxes	2,267,498	2,373,833	2,936,594	2,388,469
Gross receipts taxes	846,296	888,333	848,707	863,041
Hotel / Motel taxes	93,417	86,047	172,198	129,969
Other taxes	100,835	97,386	101,246	57,952
Unrestricted grants and contributions	2,141	2,221	4,074	
Unrestricted investment earnings	9,903	13,523	78,228	295,480
Gain (loss) on disposal of assets				
Other revenue	250,024	305,611	692,328	408,795
Transfers	(16,710)	175,190	67,565	102,890
Total governmental activities	6,998,152	7,299,928	8,302,837	7,444,264
Business-type activities:				
Unrestricted investment earnings	3,534	3,210	42,074	110,753
Other revenue	27,925	2,514	696	11,075
Transfers	16,710	(175,190)	(67,565)	(521,475)
Total business-type activities	48,169	(169,466)	(24,795)	(399,647)
Total primary government	\$ 7,046,321	\$ 7,130,462	\$ 8,278,042	\$ 7,044,617
Change in net assets:				
Governmental activities	\$ (1,796,321)	\$ 2,082,859	\$ (642,648)	\$ (58,760)
Business-type activities	865,579	(832,887)	(224,210)	(827,237)
Total primary government net (expense) revenue	\$ (930,742)	\$ 1,249,972	\$ (866,858)	\$ (885,997)

Note: Governmental Accounting Standards Board Statement No. 34 implemented during the fiscal year ended September, 30, 2003, therefore no government-wide information is presented prior to that date.

Table 2
(Page 2 of 2)

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 2,912,427	\$ 2,840,318	\$ 2,461,204	\$ 2,245,048	\$ 2,211,075	\$
2,416,247	2,461,681	2,230,748	2,217,799	1,589,965	
816,018	824,017	824,016	812,450	792,836	
90,007	50,222	55,734	27,095	28,434	
63,442	68,803	78,420	80,147	91,927	
63,473					
473,411	379,188	135,922	44,655	57,630	
		(10,050)			
148,232	146,038	58,758	64,322	24,517	
(104,736)	121,730	71,170	20,128	(31,120)	
<u>6,878,521</u>	<u>6,891,997</u>	<u>5,905,922</u>	<u>5,511,644</u>	<u>4,765,264</u>	
129,410	144,351	78,336	37,824	63,880	
185,648	3,440	39,390	31,383	27,726	
104,736	(121,730)	(71,170)	(20,128)	31,120	
419,794	26,061	46,556	49,079	122,726	
<u>\$ 7,298,315</u>	<u>\$ 6,918,058</u>	<u>\$ 5,952,478</u>	<u>\$ 5,560,723</u>	<u>\$ 4,887,990</u>	<u>\$</u>
\$ (469,091)	\$ 1,314,789	\$ 219,794	\$ 462,782	\$ (35,885)	\$
(378,257)	(158,584)	56,640	(356,789)	(309,194)	
<u>\$ (847,348)</u>	<u>\$ 1,156,205</u>	<u>\$ 276,434</u>	<u>\$ 105,993</u>	<u>\$ (345,079)</u>	<u>\$</u>



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CITY OF LA MARQUE, TEXAS**Table 3****GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE****LAST TEN FISCAL YEARS***(accrual basis of accounting)*

Fiscal Year	Property Tax	Sales Tax	Gross Receipts Tax	Hotel / Motel Tax	Other Tax	Total
2002	\$	\$	\$	\$	\$	\$
2003	2,211,075	1,589,965	792,836	28,434	91,927	4,714,237
2004	2,245,048	2,217,799	812,450	27,095	80,147	5,382,539
2005	2,461,204	2,230,748	824,016	55,734	78,420	5,650,122
2006	2,840,318	2,461,681	824,017	50,222	68,803	6,245,041
2007	2,912,427	2,416,247	816,018	90,007	63,442	6,298,141
2008	3,197,668	2,388,469	863,041	129,969	57,952	6,637,099
2009	3,401,897	2,936,594	848,707	172,198	101,246	7,460,642
2010	3,357,784	2,373,833	888,333	86,047	97,386	6,803,383
2011	3,444,748	2,267,498	846,296	93,417	100,835	6,752,794

Note:

Governmental Accounting Standards Board Statement No. 34 implemented during the fiscal year ended September, 30, 2003, therefore no government-wide information is presented prior to that date.

CITY OF LA MARQUE, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2011*</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General fund				
Non-spendable				
Inventory	\$ 47,665			
Prepaid expenditures	2,338			
Assigned				
Other assigned	40,000			
Unassigned	1,500,523			
Total fund balance	<u>\$ 1,590,526</u>			
Reserved		\$ 42,982	\$ 28,137	\$ 87,553
Unreserved		<u>2,415,615</u>	<u>2,754,701</u>	<u>2,624,739</u>
Total general fund		<u><u>\$ 2,458,597</u></u>	<u><u>\$ 2,782,838</u></u>	<u><u>\$ 2,712,292</u></u>
All other governmental funds:				
Restricted				
Capital projects	\$ 2,639,826			
Debt service	826,712			
Federal/State grants	49,127			
General government	825,499			
Public safety	41,798			
Public works	77,725			
Total fund balance	<u>\$ 4,460,687</u>			
Reserved		\$4,930,814	\$ 4,956,628	\$ 4,988,532
Unreserved:				
Special Revenue Funds		<u>806,967</u>	<u>830,339</u>	<u>730,482</u>
Total all other governmental funds		<u><u>\$5,737,781</u></u>	<u><u>\$ 5,786,967</u></u>	<u><u>\$ 5,719,014</u></u>

*Beginning fiscal year 2011, fund balances are reported using GASB 54 classifications

Table 4

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 179,444	\$ 185,556	\$ 167,446	\$ 238,891	\$ 191,810	\$ 188,788
<u>2,162,233</u>	<u>2,274,188</u>	<u>1,674,720</u>	<u>1,458,327</u>	<u>993,291</u>	<u>595,053</u>
<u><u>\$ 2,341,677</u></u>	<u><u>\$ 2,459,744</u></u>	<u><u>\$ 1,842,166</u></u>	<u><u>\$ 1,697,218</u></u>	<u><u>\$ 1,185,101</u></u>	<u><u>\$ 783,841</u></u>
\$ 5,147,178	\$ 3,794,365	\$ 3,878,009	\$ 415,224	\$ 403,210	\$ 267,843
<u>639,120</u>	<u>555,574</u>	<u>540,843</u>	<u>532,913</u>	<u>596,200</u>	<u>653,610</u>
<u><u>\$ 5,786,298</u></u>	<u><u>\$ 4,349,939</u></u>	<u><u>\$ 4,418,852</u></u>	<u><u>\$ 948,137</u></u>	<u><u>\$ 999,410</u></u>	<u><u>\$ 921,453</u></u>

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CITY OF LA MARQUE, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	2011	2010	2009	2008
Revenues				
Taxes:				
Property	\$ 3,445,757	\$3,233,671	\$ 3,530,258	\$ 3,203,177
Sales	2,267,498	2,373,833	2,936,594	2,388,469
Gross receipts	846,296	888,333	848,707	863,041
Other	194,252	183,433	273,444	187,921
Licenses and permits	288,956	311,364	255,882	212,546
Intergovernmental revenue	1,614,209	3,450,213	1,979,720	1,632,953
Charges for services	2,021,458	2,096,781	1,880,591	1,662,195
Fines and forfeitures	604,686	639,734	919,405	700,861
Investment earnings	8,293	13,011	65,486	255,526
Reimbursement from component unit	110,300	113,000	103,800	107,639
Other revenue	198,401	229,842	614,514	105,361
Total revenues	11,600,106	13,533,215	13,408,401	11,319,689
Expenditures				
Current:				
General government:	1,739,801	1,582,752	1,503,369	1,493,703
Public safety	5,441,981	5,118,460	5,323,225	5,508,004
Public works	1,633,393	1,846,738	3,853,191	1,611,281
Sanitation	1,384,690	1,363,696	1,295,223	1,268,398
Urban rehabilitation and housing	1,437,041	305,519	395,837	368,902
Debt service:				
Principal on long-term debt	246,050	235,696	226,063	174,682
Interest and fiscal charges	274,356	285,285	294,306	340,653
Capital outlay:				
General government			1,337	9,989
Public safety	759,103	115,762	316,196	164,171
Public works	1,467,292	3,632,932	261,702	484,980
Total expenditures	14,383,707	14,486,840	13,470,449	11,424,763
Excess (Deficiency) of revenues over (under) expenditures	(2,783,601)	(953,625)	(62,048)	(105,074)
Other financing sources (uses)				
Transfer in	259,111	518,383	264,724	349,258
Transfers (out)	(64,675)	(39,675)	(64,177)	(174,624)
Proceeds from the disposal of assets				207,264
Proceeds from issuance of long-term debt, net				
Total other financing sources (uses)	638,436	478,708	200,547	381,898
Net change in fund balances	\$ (2,145,165)	\$ (474,917)	\$ 138,499	\$ 276,824
Debt service as a percentage of noncapital expenditures	4.3%	4.9%	4.0%	4.8%

Table 5

2007	2006	2005	2004	2003	2002
\$ 2,975,204	\$ 2,925,715	\$ 2,474,554	\$ 2,237,288	\$ 2,253,635	\$ 2,138,063
2,416,247	2,461,681	2,230,748	2,217,799	1,589,965	1,172,970
816,018	824,017	824,016	812,450	792,836	793,618
153,449	119,025	134,154	107,242	120,361	127,368
268,421	203,605	158,350	140,755	113,615	90,605
673,399	488,268	502,684	435,500	365,912	378,653
1,603,149	1,583,328	1,224,084	1,151,260	1,110,206	1,091,164
605,707	588,903	649,884	585,412	470,012	316,370
385,126	303,105	97,101	26,350	34,658	38,181
93,854	82,816	89,357	59,007	59,911	50,737
93,210	292,152	244,133	97,638	56,664	107,878
<u>10,083,784</u>	<u>9,872,615</u>	<u>8,629,065</u>	<u>7,870,701</u>	<u>6,967,775</u>	<u>6,305,607</u>
1,457,136	1,242,516	1,527,317	1,088,775	918,144	881,701
4,821,812	4,511,025	3,859,833	3,381,168	3,107,561	2,797,286
1,739,410	1,243,538	1,346,103	1,347,499	1,243,217	1,305,363
1,065,018	958,372	949,185	908,298	860,492	787,813
290,050	257,455	334,786	342,723	294,493	278,919
345,401	292,054	244,275	224,769	216,383	251,856
223,868	214,161	39,690	53,984	66,291	79,317
		9,737		31,385	
196,546	285,840	39,415	32,409	235,131	
2,671,981	335,429	74,024	123,339	117,718	
<u>12,811,222</u>	<u>9,340,390</u>	<u>8,424,365</u>	<u>7,502,964</u>	<u>7,090,815</u>	<u>6,382,255</u>
<u>(2,727,438)</u>	<u>532,225</u>	<u>204,700</u>	<u>367,737</u>	<u>(123,040)</u>	<u>(76,648)</u>
231,628	71,101	51,729	198,250	309,496	
(44,172)	(55,681)	(73,619)	(85,630)	(55,000)	(22,930)
	1,020				
3,750,000		3,432,853			
<u>3,937,456</u>	<u>16,440</u>	<u>3,410,963</u>	<u>112,620</u>	<u>254,496</u>	<u>(22,930)</u>
<u>\$ 1,210,018</u>	<u>\$ 548,665</u>	<u>\$ 3,615,663</u>	<u>\$ 480,357</u>	<u>\$ 131,456</u>	<u>\$ (99,578)</u>
5.7%	5.8%	3.4%	3.8%	4.2%	5.2%



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CITY OF LA MARQUE, TEXAS
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Table 6

Fiscal Year	Property Tax	Sales Tax	Gross Receipts Tax	Hotel / Motel Tax	Other Tax	Total
2002	\$ 2,138,063	\$ 1,172,970	\$ 793,618	\$ 51,811	\$ 75,557	\$ 4,232,019
2003	2,253,635	1,589,965	792,836	45,558	74,803	4,756,797
2004	2,237,288	2,217,799	812,450	28,052	79,190	5,374,779
2005	2,474,554	2,230,748	824,016	28,434	105,720	5,663,472
2006	2,925,715	2,461,681	824,017	27,095	91,930	6,330,438
2007	2,975,204	2,416,247	816,018	55,734	97,715	6,360,918
2008	3,203,177	2,388,469	863,041	90,007	97,914	6,642,608
2009	3,530,258	2,936,594	848,707	172,198	101,246	7,589,003
2010	3,233,671	2,373,833	888,333	86,047	97,386	6,679,270
2011	3,445,757	2,267,498	846,296	93,417	100,835	6,753,803

CITY OF LA MARQUE, TEXAS**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY****LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Real Property		Personal Property	Less: Tax Exempt Real Property
	Land	Improvements		
2002	\$ 90,916,033	\$ 341,366,524	\$ 68,934,587	\$ (109,962,540)
2003	96,715,143	346,678,679	63,940,950	(110,837,373)
2004	100,372,893	380,697,869	64,691,455	(117,174,189)
2005	106,094,630	392,875,009	83,523,116	(108,425,181)
2006	116,928,330	418,733,999	74,636,095	(112,466,032)
2007	151,422,970	466,193,004	73,323,043	(138,045,187)
2008	162,005,190	492,287,577	73,197,783	(131,876,836)
2009	176,900,600	514,169,764	72,133,999	(127,671,184)
2010	174,820,782	483,659,324	74,854,417	(126,186,600)
2011	173,446,083	492,730,899	73,322,111	(133,107,329)

(1) Tax rates are per \$100 of taxable assessed value.

Source: Galveston Central Appraisal District.

Table 7

Total Taxable Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Taxable Value	Assess Value as a Percentage of Actual Value
\$ 391,254,604	\$ 0.53610	\$ 391,254,604	100%
396,497,399	0.53610	396,497,399	100%
428,588,028	0.51034	428,588,028	100%
474,067,574	0.51030	474,067,574	100%
497,832,392	0.55330	497,832,392	100%
552,893,830	0.51436	552,893,830	100%
595,613,714	0.51436	595,613,714	100%
635,533,179	0.51436	635,533,179	100%
607,147,923	0.51436	607,147,923	100%
606,391,764	0.51436	606,391,764	100%

CITY OF LA MARQUE, TEXAS**PROPERTY TAX RATES - DIRECT AND OVERLAPPING* GOVERNMENTS****LAST TEN FISCAL YEARS**

Taxing Authority	2011	2010	2009	2008
Overlapping Rates:				
La Marque Independent School District	\$ 1.240000	\$ 1.240000	\$ 1.240000	\$ 1.240000
Dickinson Independent School District	1.540000	1.504000	1.500000	1.430000
Hitchcock Independent School District	1.500000	1.440050	1.410050	1.121505
Santa Fe Independent School District	1.419200	1.330200	1.160000	1.160000
College of the Mainland	0.233890	0.221640	0.221640	0.227380
County of Galveston	0.619750	0.630000	0.570000	0.580000
Public Improvement District No. 1	1.000045	1.000045	1.000045	1.000045
Galveston County Drainage District No. 2	0.063021	0.063021	0.063021	0.057360
Total	\$ 7.615906	\$ 7.428956	\$ 7.164756	\$ 6.816290
City of La Marque Direct Rates:				
Maintenance and Operations	\$ 0.407385	\$ 0.407102	\$ 0.423020	\$ 0.433870
Debt Service	0.106975	0.107258	0.091340	0.080490
Total City of La Marque Direct Rates	\$ 0.514360	\$ 0.514360	\$ 0.514360	\$ 0.514360

* Overlapping rates are those of local and county governments that apply to property owners within the City of La Marque, Texas. Not all overlapping rates apply to all City of La Marque, Texas property owners (e.g. the rates of special districts apply only to the portion of the government's property owners whose property is located within the geographic boundaries of the special district.

(1) Newly created special district.

Note:

All tax rates are per \$100 assessed valuation.

Source: Galveston Central Appraisal District

Table 8

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 1.570000	\$ 1.740000	\$ 1.743000	\$ 1.730000	\$ 1.650000	\$ 1.625005
1.724000	1.751000	1.738000	1.743000	1.764000	1.747000
1.565050	1.695000	1.710000	1.710000	1.710000	1.710000
1.445000	1.570000	1.570000	1.570000	1.570000	1.510000
0.233450	0.243020	0.245250	0.263060	0.231870	0.218000
0.589875	0.625875	0.638750	0.640000	0.606300	0.553000
1.000045	1.000045 ⁽¹⁾				
0.055740	0.055200	0.058800	0.058800	0.058800	0.056600
<u>\$ 8.183160</u>	<u>\$ 8.680140</u>	<u>\$ 7.703800</u>	<u>\$ 7.714860</u>	<u>\$ 7.590970</u>	<u>\$ 7.419605</u>
\$ 0.423510	\$ 0.473000	\$ 0.432400	\$ 0.427500	\$ 0.427500	\$ 0.430080
0.090850	0.080300	0.077940	0.108600	0.108600	0.116020
<u>\$ 0.514360</u>	<u>\$ 0.553300</u>	<u>\$ 0.510340</u>	<u>\$ 0.536100</u>	<u>\$ 0.536100</u>	<u>\$ 0.546100</u>

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CITY OF LA MARQUE, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2011		Percentage of Total Taxable Assessed Value
	Taxable Assessed Value	Rank	
Wal-mart Stores East, Inc.	\$ 14,896,010	1	2.46%
Wal-mart Stores Texas, LP	9,012,555	2	1.49%
Gulf Greyhound Partners LTD	8,520,070	3	1.41%
Texas-New Mexico Power Co.	5,748,700	4	0.95%
Comcast of Houston, LLC	5,197,780	5	0.86%
La Marque Outlet Dev. LP	3,715,610	6	0.61%
Greig, Robert	3,511,060	7	0.58%
Centerpoint Energy Inc.	3,094,470	8	0.51%
PM Partners, L.P.	2,968,690	9	0.49%
Saltgrass 300 LTD	2,924,200	10	0.48%
Southwestern Bell Telephone Co.			0.00%
Hillcorp Energy Company			0.00%
SCTW Health Care Center, Inc.			0.00%
PM Partners, L.P.			0.00%
U.S. Bank			0.00%
Electra Enterprises			0.00%
	<u>\$ 59,589,145</u>		<u>9.83%</u>

(1) Taxpayer either did not exist or merged with another taxpayer, therefore taxable assessed values and ranking is not available.

(2) Taxpayer was not ranked in the top 10 of all District taxpayers.

Source: Galveston Central Appraisal District

Table 9

2002		
Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
\$ 1,872,970	9	0.48%
		0.00%
13,899,740	1	3.55%
4,870,120	3	1.24%
		0.00%
4,000,030	4	1.02%
		0.00%
		0.00%
2,343,000	7	0.60%
6,125,880	2	1.57%
3,514,880	5	0.90%
2,448,970	6	0.63%
2,343,000	7	0.60%
1,949,990	8	0.50%
1,870,890	10	0.48%
<u>\$ 45,239,470</u>		<u>11.56%</u>



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CITY OF LA MARQUE, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL PERIODS

Table 10

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year (1)	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date (2)	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 2,082,154	\$ 1,941,944	93.27%	\$ 22,649	\$ 1,964,593	94.35%
2003	2,120,697	2,001,305	94.37%	97,162	2,098,467	98.95%
2004	2,181,607	2,061,779	94.51%	95,698	2,157,477	98.89%
2005	2,416,513	2,286,462	94.62%	99,596	2,386,058	98.74%
2006	2,754,504	2,597,962	94.32%	119,648	2,717,610	98.66%
2007	2,835,534	2,687,648	94.78%	108,315	2,795,963	98.60%
2008	3,038,762	2,896,271	95.31%	93,721	2,989,992	98.40%
2009	3,233,776	3,100,015	95.86%	78,943	3,178,958	98.30%
2010	3,104,522	2,955,648	95.20%	71,836	3,027,484	97.52%
2011	3,099,788	2,973,995	95.94%		2,973,995	95.94%

- (1) Appraised value less exemptions equal taxable assessed value. The beginning taxable value net of adjustments times the tax rate set by City Council each fall equals the total net tax levy. The net tax levy for prior years reflects ongoing adjustments applied to that year's tax levy.
- (2) Excludes the subsequent 60 days tax collections recorded as revenue in the fund financial statements in accordance with the modified accrual basis of accounting.

CITY OF LA MARQUE, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-type Activities	
	General Obligation Bonds	Certificates of Obligation	Capital Leases	Revenue Bonds	Long Term Contracts
2002	\$	\$ 1,050,000	\$	\$ 8,240,000	\$ 3,820,000
2003		850,000		8,015,000	3,525,000
2004		635,000		7,780,000	3,220,000
2005		3,895,000		7,540,000	2,900,000
2006		3,625,000		7,065,000	2,860,000
2007		7,055,000		6,570,000	2,820,000
2008		6,910,000		6,055,000	2,780,000
2009		6,710,000		5,520,000	2,635,000
2010		6,500,000		4,965,000	2,485,000
2011		6,280,000	444,000	4,390,000	2,659,271

(1) See Table 16 for population data and personal income.

Capital Leases	Total Primary Government
\$	\$ 13,110,000
	12,390,000
	11,635,000
	14,335,000
	13,550,000
	16,445,000
	15,745,000
244,595	15,109,595
212,337	14,162,337
178,287	13,951,558

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CITY OF LA MARQUE, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Table 12

Fiscal Year	Certificates of Obligation	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2002	\$ 1,050,000	\$ 128,298	\$ 921,702	0.24%	\$ 67
2003	850,000	240,216	609,784	0.15%	45
2004	635,000	369,339	265,661	0.06%	19
2005	3,895,000	387,551	3,507,449	0.74%	256
2006	3,625,000	418,911	3,206,089	0.64%	234
2007	7,055,000	427,028	6,627,972	1.20%	484
2008	6,910,000	438,951	6,471,049	1.09%	473
2009	6,710,000	536,546	6,173,454	0.97%	451
2010	6,500,000	703,007	5,796,993	0.95%	400
2011	6,280,000	826,712	5,453,288	0.90%	376

(1) See Table 7 for assessed value information.

(2) See Table 16 for population data.

CITY OF LA MARQUE, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of September 30, 2011

Table 13

Governmental Unit	Net Debt		Percentage Overlapping	Amount of Overlapping Debt
	Amount	As Of		
La Marque Independent School District	\$ 27,834,978	8/31/2011	82.47%	\$ 22,955,506
Dickinson Independent School District	246,355,785	8/31/2011	23.21%	57,179,178
Hitchcock Independent School District	37,405,342	8/31/2011	1.79%	669,556
Santa Fe Independent School District	79,483,765	8/31/2011	18.00%	14,307,078
College of the Mainland	855,000	8/31/2011	56.69%	484,700
County of Galveston	350,484,948	9/30/2011	39.24%	137,530,294
Subtotal, overlapping debt				233,126,310
City of La Marque Direct Debt				6,280,000
Total Direct and Overlapping Debt				\$ 239,406,310

Sources:

Amounts of debt outstanding were obtained from each of the governmental entities.

Estimation of percent overlapping derived from various sources, including information contained in "Texas Municipal Reports", published by the Municipal Advisory Council of Texas.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of La Marque, Texas. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for paying the debt, of each overlapping government.

CITY OF LA MARQUE, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Debt Limit	\$ 73,257,836	\$ 73,333,452	\$ 76,320,436	\$ 72,749,055
Total Net Debt Applicable to Limit	<u>(5,453,288)</u>	<u>(5,796,993)</u>	<u>(6,173,454)</u>	<u>(6,471,049)</u>
Legal Debt Margin	<u><u>\$ 67,804,548</u></u>	<u><u>\$ 67,536,459</u></u>	<u><u>\$ 70,146,982</u></u>	<u><u>\$ 66,278,006</u></u>
Total Net Debt Applicable to the Limit				
As a Percentage of Debt Limit	7.44%	7.90%	8.09%	8.90%

Legal debt margin calculation for fiscal year 2011

Assessed taxable value	\$ 606,391,764
Add back:	
Exempt real property	<u>126,186,600</u>
Total assessed value	<u><u>\$ 732,578,364</u></u>
Debt Limit (10% of total assessed value)	\$ 73,257,836
Debt applicable to limit:	
Total bonded debt	6,280,000
Less: Amount set aside for repayment of bonds	<u>(826,712)</u>
Total net debt applicable to limit	<u><u>5,453,288</u></u>
Legal debt margin	<u><u>\$ 67,804,548</u></u>

Note: Although there is no legal debt limit in the State of Texas, most municipal finance officers in the State hold the opinion that the opinion that the Attorney General would not approve bonded indebtedness on excess of 10 percent of assessed value.

Table 14

2007	2006	2005	2004	2003	2002
\$ 69,093,902	\$ 61,029,842	\$ 47,428,807	\$ 42,877,513	\$ 39,664,279	\$ 39,125,460
(6,654,043)	(3,197,972)	(3,476,089)	(247,449)	(475,727)	(361,758)
\$ 62,439,859	\$ 57,831,870	\$ 43,952,718	\$ 42,630,064	\$ 39,188,552	\$ 38,763,702
9.63%	5.24%	7.33%	0.58%	1.20%	0.92%

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CITY OF LA MARQUE, TEXAS
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Table 15

Fiscal Year	Gross Operating Revenue	Operating Expenses (1)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2002	\$ 3,778,051	\$ 2,188,502	\$ 1,589,549	\$ 210,000	\$ 319,043	3.00
2003	3,419,284	2,324,236	1,095,048	225,000	312,353	2.04
2004	3,443,461	2,348,941	1,094,520	235,000	305,040	2.03
2005	3,952,248	2,449,694	1,502,554	240,000	295,389	2.81
2006	4,211,225	2,801,233	1,409,992	475,000	288,938	1.85
2007	3,532,125	3,087,876	444,249	495,000	283,005	0.57
2008	3,995,241	3,295,669	699,572	515,000	264,559	0.90
2009	4,382,458	2,949,876	1,432,582	535,000	236,463	1.86
2010	4,081,001	3,164,192	916,809	555,000	238,243	1.16
2011	4,180,041	3,450,917	729,124	575,000	195,540	0.95

- (1) Details regarding the City's outstanding debt can be found in the notes to financial statements. Gross operating revenue does not include investment earnings. Operating expenses do not include interest or depreciation.

CITY OF LA MARQUE, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 16

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age	School Enrollment (3)	Unemployment Rate (4)
2002	13,682	\$ 210,292,340	\$ 15,370	37.7 (2)	3,915	8.6%
2003	13,682	239,681,276	17,518	37.7 (2)	3,748	10.0%
2004	13,682	239,681,276	17,518	37.7 (2)	3,750	11.2%
2005	13,682	239,681,276	17,518	37.7 (1)	3,105	10.2%
2006	13,682	239,681,276	17,518	37.7 (1)	3,518	10.2%
2007	13,682	239,681,276	17,518	37.7 (1)	3,383	10.2%
2008	13,682	239,681,276	17,518	37.7 (1)	3,733	9.8%
2009	13,682	239,681,276	17,518	37.7 (1)	3,704	8.5%
2010	14,509	254,168,662	17,518	31.8 (1)	3,745	9.8%
2011	14,509	254,168,662	17,518	31.8 (1)	2,975	9.0%

(1) Population and median age statistics are compiled from census taken every 10 years.

(2) Estimated by the Tax Payers' Research Council and the Texas City - La Marque Chamber of Commerce.

(3) Obtained from local school district.

(4) Obtained from the Texas Workforce Commission.



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CITY OF LA MARQUE, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Table 17

Taxpayer	2011			2002 ⁽¹⁾		
	Employees	Rank*	Percentage of Principal Employers	Employees	Rank*	Percentage of Principal Employers
Wal-Mart	430	1	29.13%			
La Marque Independent School District	398	2	26.96%			
Gulf Greyhound Park	203	3	13.75%			
City of La Marque	133	4	9.01%			
Farmer's Copper & Marine	110	5	7.45%			
A & A Machine	85	6	5.76%			
Conhagen	65	7	4.40%			
Garner Environmental	23	8	1.56%			
Associated Credit Union	17	9	1.15%			
Allied Waste Services	12	10	0.81%			

(1) Information not readily available, due to companies not willing or able to provide this information from nine years ago.

* Ranking is optional

Source: La Marque Economic Development Corporation

CITY OF LA MARQUE, TEXAS**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION****LAST TEN FISCAL YEARS**

Function	2011	2010	2009	2008
General government	24	22	20	20
Public Safety				
Police:				
Officers	28	28	28	28
Civilians	13	11	13	11
Fire:				
Firefighters and officers	19	22	18	18
Civilians	2	2	1	1
Public Works	20	20	21	22
Utility	18	17	18	18
Water and sewer	9	8	9	8
Total	<u>133</u>	<u>130</u>	<u>128</u>	<u>126</u>

Source: Various city departments

Table 18

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
22	21	21	18	18	18
28	28	28	28	28	28
10	9	7	7	7	7
15	18	16	13	13	13
1	1	0	0	0	0
21	23	25	25	25	25
17	17	17	18	18	18
9	8	9	9	9	9
<u>123</u>	<u>125</u>	<u>123</u>	<u>118</u>	<u>118</u>	<u>118</u>

CITY OF LA MARQUE, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2011	2010	2009	2008
Public safety				
Police:				
Physical arrests	1,945	1,737	1,766	1,707
Traffic violations	3,780	2,521	3,001	4,485
Calls for service	23,347	25,017	25,832	23,190
Fire:				
Number of calls answered	2,224	2,287	2,160	1,753
Inspections *	85	120	50	1,186
Public works				
Street resurfacing (miles)	12	0	1	5
Potholes repaired	3,306	2,934	3,097	7,489
Community room rentals	7	33	6	30
Park pavilion rentals	23	22	28	25
Water				
New connections	29	15	67	16
Water main breaks	481	396	391	370
Average daily consumption (thousands of gallons)	2,168	2,278	2,327	2,031
Wastewater				
Average daily sewage treatment (thousands of gallons)	1,661	2,340	2,570	1,803

Source: Various city departments.

Note: Indicators are not available for the general government or urban rehabilitation and housing functions.

(1) Information not available

* Estimated

Table 19

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
1,809	1,645	1,595	1,789	1,400	1,171
5,439	5,525	4,913	6,230	4,518	4,550
21,632	21,522	19,323	22,930	18,128	19,212
1,935	1,450	1,250	1,385	1,350	1,331
100	100	125	100	100	100
1	0				1
1,122	1,316	1,349	1,762	1,200	1,448
47	58	69	5		
13	17	27			
129	53	51	28	32	23
511	518	277	241	223	399
1,827	1,614	1,641	1,374	1,504	1,745
1,722	2,112	2,248	2,450	2,168	2,312

CITY OF LA MARQUE, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2011	2010	2009	2008
Public safety				
Police:				
Stations	1	1	1	1
Patrol units	24	24	23	17
Fire:				
Stations	1	1	1	1
Fire trucks	3	4	4	4
Ambulances *	2	2	2	2
Public works				
Streets (miles)	90	90	90	90
Traffic signals	12	12	12	12
Water				
Water mains (miles)	180	180	180	180
Fire hydrants	432	432	432	432
Maximum daily capacity (thousands of gallons)	2,780	2,780	3,000	2,770
Wastewater				
Sanitary sewers (miles)	76	76	76	76
Maximum daily treatment capacity (thousands of gallons)	3,000	3,000	3,000	3,000

Source: Various city departments.

Note: No capital asset indicators are available for the general government or urban rehabilitation and housing functions.

* City of La Marque assumed responsibility for EMS transport during the year ended September 30, 2006.

(1) Information not available

Table 20

2007	2006	2005	2004	2003	2002
1	1	1	1	1	1
24	26	28	28	28	28
1	1	1	1	1	1
4	4	4	4	4	4
2					
90	85	85	80	80	78
12	12	12	12	12	12
180	175	175	170	170	170
422	422	422	408	400	398
2,041	1,886	1,917	1,626	1,601	2,093
76	71	71	66	66	66
3,000	3,000	3,000	3,000	3,000	3,000



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Government Auditing Standards



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**Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards**

The Honorable Mayor and
Members of the City Council
1111 Bayou Road
La Marque, Texas 77568-4299

We have audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of City of La Marque, Texas (the "City") as of and for the year ended September 30, 2011 which collectively comprise the City's basic financial statements and have issued our report thereon dated March 26, 2012. 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.

Internal Control over Financial Reporting

Management of City of La Marque, Texas is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item #11-01 to be a material weakness.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency in the accompanying schedule of findings and questioned costs as item #11-02 to be a significant deficiency.

The Honorable Mayor and
Members of the City Council

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item #11-03.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

Closing

This report is intended solely for the information and use of the city council, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Null-Lairson, PC
Texas City, Texas
March 26, 2012

DRAFT

**Independent Auditors' Report on Compliance with Requirements that Could have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance
in Accordance with OMB Circular A-133**

The Honorable Mayor and
Members of the City Council
1111 Bayou Road
La Marque, Texas 77568-4299

Compliance

We have audited the compliance of City of La Marque, Texas (the "City") with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2011. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item #11-05.

The Honorable Mayor and
Members of the City Council

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item #11-04 to be a material weakness.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

City of La Marque, Texas' responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit City of La Marque, Texas' responses and, accordingly, we express no opinion on the responses.

Closing

This report is intended solely for the information and use of the city council, management, others within the organization, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Null-Lairson, PC
Texas City, Texas
March 26, 2012

DRAFT

Federal Awards Section



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CITY OF LA MARQUE, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2011

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes, #11-01
Significant deficiencies identified that are not considered to be material weaknesses?	Yes, #11-02
Noncompliance material to financial statements noted?	Yes, #11-03

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	Yes, #11-04
Significant deficiencies identified that are not considered to be material weaknesses?	None noted
Type of auditors' report issued on compliance with major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) OMB Circular A-133?	None noted

Identification of major programs:

Name of Federal Program or Cluster: **CFDA Numbers:**

Community Development Block Grant

CDBG Small Cities Program	10.923
CDBG Small Cities Program – Disaster Recovery	10.923

U.S. Department of Housing and Urban Development

Passed through the Texas Office of rural and Community Affairs

Justice Assistance Grant Programs

Edward Byrne Justice Assistance Grant Program	16.738
FY 09 Recovery Act Edward Byrne Memorial Justice Asst.	16.804

U.S. Department of Justice

Passed through the County of Galveston, Texas

Dollar Threshold Considered Between Type A and Type B Federal Programs	\$300,000
Auditee qualified as low-risk auditee?	No

CITY OF LA MARQUE, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended September 30, 2011

II. Financial Statement Findings

Material Weakness

Finding #11-01

(See also Section III. – Federal Award Findings and Questioned Costs to which this finding applies)

Condition: A payment for Public Utility District #1 (“PID #1”) developer reimbursement in the amount of \$60,570 and a payment to a vendor for equipment purchased with CDBG funds in the amount of \$83,240 were not properly recorded in accounts payable at September 30, 2011.

Criteria: Generally Accepted Accounting Principles require governmental funds to be accounted for on the modified accrual basis of accounting and proprietary funds to be accounted for on the accrual basis of accounting.

Cause: The City has established internal controls over the accounts payable function, and although the expenditures noted were identified as accruals by finance personnel, the invoices did not get properly accrued prior to fiscal year end.

Effect: Material understatement of accounts payable and related expenditures.

Recommendation: The City should account for governmental funds using the modified accrual basis of accounting and proprietary funds using the accrual basis of accounting as required by Generally Accepted Accounting Principles. Internal controls over the accounts payable function should ensure that all expenditures identified as accruals are properly recorded in accounts payable in the proper accounting period.

Significant Deficiency

Finding #11-02

Condition: The City does not have a centralized grant administration function. In addition, information necessary for the Schedule of Expenditures of Federal Awards (SEFA) required reclassification for proper presentation.

Criteria: The grant administration function should be centrally managed so that all grant resources are timely and properly recognized, accounted for and reported. This function should maintain records of all grants and potential grants including the grant’s status, compliance requirements, grant funding amounts, amount of resources utilized in order to facilitate the objectives of the grant, and the names of responsible parties of the grantor and grantee. In addition, per OMB Circular A-133, the Schedule of Expenditures of Federal Awards (SEFA) should be prepared to include all federal awards, properly identify the Catalog of Federal Domestic Assistance (CFDA) numbers, and properly report the associated federal program expenditures.

Cause: The City does not have a centralized grant administration function that operates as the facilitator for its grant administration.

Effect: Not having a centralized grant administration function could result in grants being improperly accounted for and reported. In order to test awards for internal controls and compliance, auditors require complete and accurate information to determine which programs will be considered major. If not done properly, this could lead to non-compliance for federal awards.

CITY OF LA MARQUE, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended September 30, 2011

II. Financial Statement Findings (continued)

Finding #11-02 (continued)

Recommendation: The City should centralize the grant administration function by designating personnel in the finance office for this purpose. The grant administrator will be responsible for administration of grants through all phases, from the application process through completion (financial reporting). This includes being responsible for tracking the status of all current and potential grants, determine the compliance requirements and periodically assess whether or not such requirements are being met. The grant administrator would also verify accounting records with source data from the grantor, maintain a listing of grantor and grantee contacts, and other functions relating to grant administration. In addition, the grant administrator should ensure that all necessary information is included on the Schedule of Expenditures of Federal Awards.

Compliance and Other Matters

Finding #11-03

Condition: Expenditures exceeded appropriations in the general fund for the sanitation department in the amount of \$141,690 and for capital outlay in the amount of \$431,753.

Criteria: State law mandates that expenditures not exceed appropriations at the functional level.

Cause: Expenditures for sanitation and capital outlay were made for which appropriations were not included in the budget. It was noted that City Council passed a budget amendment subsequent to fiscal year end.

Effect: Non-compliance with state law.

Recommendation: The City should implement procedures to review budget to actual comparisons prior to year end so that necessary budget amendments may be presented to council prior to fiscal year end.

CITY OF LA MARQUE, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended September 30, 2011

III. Federal Awards Findings And Questioned Costs

Material Weakness

Finding #11-04

(See also II. – Financial Statement Findings to which this finding applies)

Allowable Costs/Cost Principles

Program: Community Development Block Grant Small Cities Program – Disaster Recovery

CFDA #14.228

Federal Award # DRS010094

U.S. Department of Housing and Urban Development

Passed through Texas Office of Rural and Community Affairs

Condition: Payment to a vendor for equipment purchased with CDBG funds in the amount of \$83,240 was not properly recorded in accounts payable at September 30, 2011.

Questioned Costs: None

Criteria: Generally Accepted Accounting Principles require proprietary funds to be accounted for on the accrual basis of accounting.

Cause: The City has established internal controls over the accounts payable function, and although the expenditures noted were identified as accruals by finance personnel, the invoices did not get properly accrued prior to fiscal year end.

Effect: Material understatement of accounts payable and related expenditures.

Recommendation: The City should account for proprietary funds using the accrual basis of accounting as required by Generally Accepted Accounting Principles. Internal controls over the accounts payable function should ensure that all expenditures identified as accruals are properly recorded in accounts payable in the proper accounting period.

CITY OF LA MARQUE, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended September 30, 2011

III. Federal Awards Findings And Questioned Costs (continued)
Compliance and Other Matters

Finding #11-05

Cash Management

Program: Community Development Block Grant Small Cities Program – Disaster Recovery

CFDA #14.228

Federal Award # DRS010094

U.S. Department of Housing and Urban Development

Passed through Texas Office of Rural and Community Affairs

Condition: The City draws CDBG funds once an invoice is submitted by the vendor for payment. The City disburses the funds to the vendor upon receipt of the funds. During the course of the audit, auditors noted an instance where the disbursement of the funds was not performed in a timely manner.

Questioned Costs: None

Criteria: When federal funds are advanced, recipients must follow procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and disbursement.

Cause: The City has established internal controls over the disbursement process, which require several levels of approval by management. Certain requests for disbursements made near the 2011 fiscal year end and during the beginning of fiscal year 2012 were not processed timely, as the City was working on the budget and trying to ensure that the funds were properly encumbered prior to disbursement.

Effect: Failure to follow internal controls over the cash management process could result in non-compliance with the Cash Management compliance requirement as established in OMB Circular A-133. It was noted that the federal funds were deposited in a non-interest bearing account, therefore no interest was earned on the funds prior to disbursement.

Recommendation: The City should have written policies to ensure that all requirements listed in the OMB Circular A-133 compliance supplement are met. Management should be aware of all applicable compliance requirements per OMB Circular A-133 and should communicate those requirements to the appropriate personnel.

CITY OF LA MARQUE, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended September 30, 2011

IV. Summary Schedule of Prior Audit Findings

Finding #10-01

Centralized grant
administration/Schedule of
Expenditures of Federal
Awards

Corrective Action Taken: Unresolved.

See current year Finding #11-02.

Finding #10-02

Controls over personnel
records

Corrective Action Taken: Resolved.

The City created a new position and hired a Director of Human resource
who has established controls over personnel records.

Finding #10-03

Expenditures in excess of
appropriations

Corrective Action Taken: Partially Resolved.

The budget was amended was approved for the expenditures in excess
of appropriations, however, it was approved subsequent to fiscal year
end. See current year finding #11-03.

Finding #10-04

Monitoring of file
documentation for
compliance

Corrective Action Taken: Resolved.

Management established controls over the monitoring of file
documentation to ensure compliance with program guidelines.

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CITY OF LA MARQUE, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended September 30, 2011

V. Corrective Action Plan

Finding #11-01

Centralized grant administration/Schedule of Expenditures of Federal Awards

Response: Management agrees with finding and had already recognized the need in regards to centralized grant administration. Grant Administration Team has been established prior to draft audit presentation.

Estimated Date of Completion: February 7, 2012

Contact: Karen Cooper, Finance Director

Finding #11-02 & #11-04

Internal controls over accounts payable

Response: Management agrees that Modified Accrual Basis of Accounting is already established. Staff is now implementing new procedures to avoid crossing two fiscal years when processing disbursements for payment.

Estimated Date of Completion: March 31, 2012

Contact: Karen Cooper, Finance Director

Finding #11-03

Expenditures in excess of appropriations

Response: Management agrees with finding and recommendation. Procedures will be established to review budget to actual prior to year end so that necessary budget amendments may be presented to Council before the fiscal year ends on September 30.

Estimated Date of Completion: March 12, 2012

Contact: Karen Cooper, Finance Director

Finding #11-05

Cash Management

Response: Management agrees with finding and staff has implemented new procedures to verify receipt of State and Federal monies to pay vendors in a timely manner.

Estimated Date of Completion: March 12, 2012

Contact: Karen Cooper, Finance Director

CITY OF LA MARQUE, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2011

Exhibit J-1

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Direct Program:			
Section 8 Housing Assistance Program	14.871	None	\$ 341,135
Total Direct Program:			
Passed Through Texas City Housing Authority:			
Section 8 Housing Assistance Program	14.871	None	31,301
Total passed through Texas City Housing Authority			
Passed Through Galveston Housing Authority:			
Section 8 Housing Assistance Program	14.871	None	946,168
Total passed through Galveston Housing Authority			
Passed Through Texas Department of Housing:			
Section 8 Housing Assistance Program	14.871	None	7,108
Total passed through Texas Department of Housing			
Passed Through Harris County Housing Authority:			
Section 8 Housing Assistance Program	14.871	None	5,887
Total passed through Harris County Housing Authority			
Passed Through Harlingen Housing Authority:			
Section 8 Housing Assistance Program	14.871	None	3,502
Total passed through Harlingen Housing Authority			
Passed Through Nevada Housing Authority:			
Section 8 Housing Assistance Program	14.871	None	3,966
Total passed through Nevada Housing Authority			
Passed Through Houston Housing Authority:			
Section 8 Housing Assistance Program	14.871	None	2,088
Total passed through Houston Housing Authority			
Passed through the Texas Department of Agriculture, Office of Rural Affairs			
Community Development Block Grant - Small Cities Program	14.228	729421	267,219
Community Development Block Grant - Small Cities Program - Disaster Recovery	14.228	DRS010094	1,044,444
Total passed through the Texas Office of Rural and Community Affairs			<u>1,311,663</u>
Total U.S. Department of Housing and Urban Development			<u>2,652,818</u>
U.S. Department of Justice			
Passed through the County of Galveston, Texas			
Edward Byrne Justice Assistance Grant Program	16.738	2009-DJ-BX-1445	31,502
FY 09 Recovery Act Edward Byrne Memorial Justice Asst.	16.804	2009-SB-B9-3131	81,207
Total U.S. Department of Justice			<u>112,709</u>
U.S. Department of Homeland Security			
Passed through to Texas Department of Public Safety			
Public Assistance Grant - FEMA Aid	97.036	FEMA-1791-DR-TX	1,243
State Homeland Security Grant	97.073	10-SR 41116-01	16,859
Total U.S. Department of Homeland Security			<u>18,102</u>
Total Expenditures of Federal Awards			<u>\$ 2,783,629</u>

CITY OF LA MARQUE, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2011

1. Basis of Presentation: The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of City of La Marque, Texas and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.
2. The City utilizes the fund types and accounting policies as detailed in Note I of notes to the financial statements.

Special revenue funds – These funds are established to account for federally-financed or expenditures legally restricted for specified purposes. Generally, any unused balances are returned to the grantor at the close of specified project periods. Project accounting is utilized to maintain integrity for the various sources of funds.

The Section 8 Housing Assistance Program is accounted for in a Special Revenue Fund. Expenditures for this program are not specifically attributable to the Federal revenue source and are shown on this schedule in an amount equal to revenue for balancing purposes only.

3. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund types are accounted for using a current financial resources measurement focus. Within this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for governmental fund types. This basis of accounting recognized revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures are recorded in the accounting period in which the fund liability is incurred, if measurable.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

4. The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Availability of Federal Funds, Part 3, OMB Circular A-133 Compliance Supplement (March 2011).



CITY COUNCIL AGENDA FORM

Meeting Date: 3-26-12

Agenda item: 9b

Prepared by: zt

Reviewed by: _____

Department: Administration

AGENDA ITEM DESCRIPTION:

b. Discussion/possible action on proposed pipeline route through a section of Highland Bayou Park



Attachments for Reference

Staff Briefing:

Representatives from Mustang Pipeline and Dow Chemicals met with the Parks Board on March 15th to discuss the proposed pipeline route through a section of Highland Bayou Park.

At this time - Survey only

The project consists of a proposed 12-inch (12") pipeline for the transportation of Propane from a Dow Hydrocarbons and Resources LLC (DHRLLC) storage facility at Stratton Ridge, in Brazoria County, to a DHRLLC facility in Texas City.

Specifics to Highland Bayou Park, DHRLLC proposes constructing the pipeline 5-Feet (5') southerly of and adjacent to an existing 6" DHRLLC pipeline, and located within the current easement DHRLLC already possess and maintains, so as not to encumber any additional park space.

Parks Chairman McGaffey and representatives from Mustang Pipeline and Dow Chemicals will be at the meeting to present the information to City Council.

History (if applicable):

Target Implementation: _____

Significant Action Dates: _____

Action: _____



Ordinance



Resolution



Proclamation



Special Presentation



Finance Report



Public Hearing



Other

Cost Details:

Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommendation

Fiscal Impact:

**DOW HYDROCARBONS AND RESOURCES LLC PDH1 PROJECT
PROPOSED 12" PROPANE PIPELINE**



**CITY OF LA MARQUE SURVEY PERMISSION REQUEST
INFORMATION PACKET**

Mustang Engineering, LP (Mustang), on behalf of Dow Hydrocarbons and Resources LLC (DHRLLC), has made application to the City of La Marque for permission to perform environmental and civil surveys only on a portion of Highlands Bayou Park for the purpose of conducting a route study for a proposed pipeline. As part of the request, we are providing the additional information below for your review.

PROJECT OVERVIEW:

This project consists of a proposed 12-Inch (12") pipeline for the transportation of Propane from a DHRLLC storage facility at Stratton Ridge, in Brazoria County, to a DHRLLC facility in Texas City.

Specific to Highlands Bayou Park, DHRLLC proposes constructing the pipeline 5-Feet (5') southerly of and adjacent to an existing 6" DHRLLC pipeline, and located within the current easement DHRLLC already possesses and maintains, so as not to encumber any additional park space.

ENVIRONMENTAL IMPACTS:

DHRLLC recognizes the diverse environment represented within the park's boundaries and wishes to minimize any impact an additional pipeline will make to this sensitive area. To this effect, DHRLLC will adhere to all federal, state and local regulations concerning the construction, operation and maintenance of pipelines.

Pipeline construction typically requires coordination with the US Army Corps of Engineers as the lead agency in granting authorization for construction in compliance with the Federal Clean Water Act, Section 404. In order to support these efforts, DHRLLC will contract with an environmental company to provide wetland delineations, threatened and endangered species studies as well as a cultural resource survey in the proposed pipeline right-of way. DHRLLC has agreed to share these reports and findings with the City of La Marque and the Park Board.

Environmental impacts may affect the proposed route or construction methods used to avoid or minimize those impacts. Authorization requires that all construction impacts will be returned to pre-construction condition. Where these impacts constitute a loss or fill to a jurisdiction water of the United States, DHRLLC will be asked to submit a mitigation plan to the US Army Corps of Engineers for review and approval. This mitigation plan will include a public comment period prior to approval.

Mustang Engineers and Constructors, L.P.
2830 Howe Road, Suite A
Martinez, CA 94553
Tel: (925) 231-4151 Fax: (925) 229-8220
www.mustangeng.com

Prior to beginning construction a Storm Water Pollution Prevention Plan (SWPPP) will be implemented to control sediment or storm water runoff to surrounding areas and waters of the US. This plan will include Best Management Practices that may include but are not limited to silt fencing or other methods of control. The BMPs will be inspected on a periodic basis and maintained by the contractor. Final inspection will assure the construction area has been returned to pre-construction condition and contours.

PIPELINE SAFETY:

Dow Hydrocarbons and Resources LLC has always maintained a good pipeline safety record. Dow's pipeline operations are monitored 24 hours a day by the Dow Houston Product Control Center. The pipeline system is patrolled on a daily basis and aerial surveillance and ground patrol are utilized to monitor the right of ways and to stay aware of any nearby construction and excavation activities. Pipeline emergency drills are conducted annually by Dow's pipeline safety teams. Every two years Dow performs pipeline evaluations and mails notifications to landowners located near Dow's pipelines. To learn more about Dow's pipeline safety please visit: www.DowGulfCoastPipelineSafety.com.

BENEFITS TO CITY OF LA MARQUE:

In addition to the consideration DHRLLC will pay the City of La Marque for the easement, estimated to be in excess of \$90,000.00, and will work with the Parks Board on future park improvements. DHRLLC will also share the survey and environmental data, including endangered species, it collects during this process. DHRLLC understands it is in a long term relationship with the City and commits to being a good neighbor and steward of the community.

ENCLOSURES:

Aerial of proposed route through Highlands Bayou Park.

Aerial of proposed route through Highlands Bayou Park with temporary work space.

Material safety data sheets for Propane.



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PROPANE MSDS

ProductName: Propane
ChemicalName: Propane
Formula: C₃H₈
ChemicalFamily: Alkane (hydrocarbon)
Use: Various
Synonyms: Dimethylmethane, LP-Gas, Liquified petroleum gas (LPG)

4
1 0

NFPA Fire:	4	HMIS Fire:	4	Acute:	No
NFPA Health:	1	HMIS Health:	0	Chronic:	No
NFPA Reactivity:	0	HMIS Reactivity:	0	Fire:	Yes
NFPA Special Hazard:		Mixture:	No	Reactive:	No
				Sudden Release Pressure:	Yes

02. INGREDIENTS - COMPOSITION & INFORMATION

COMPONENT	CAS No.	PERCENT (BY WT.)		EXPOSURE GUIDELINES	
				OSHA - TWA	ACGIH - STEL
Propane	74-98-6	99.0%	100.0%	1000	Simple Asphyxiant

LD50: None. LC50: None.

03. HAZARDS IDENTIFICATION

EMERGENCY OVERVIEW:

Warning: Flammable liquid gas under pressure.
Can form explosive mixtures with air.
May cause frostbite.

Potential Health Effects Information:
Routes of Exposure:

Inhalation: Simple asphyxiant. It should be noted that before suffocation could occur, the lower flammability limit of propane in air would be exceeded; possibly causing both an oxygen-deficient and explosive atmosphere. Exposure to concentrations (> 10%) may cause dizziness. Exposure to atmospheres containing 8-10% or less oxygen will bring about unconsciousness without warning, and so quickly that the individuals cannot help or protect themselves. Lack of sufficient oxygen may cause serious injury or death.

Eye Contact: Contact with liquid or cold vapor can cause freezing of tissue.

Skin Contact: Contact with liquid or cold vapor can cause frostbite.

Chronic Effects: None.

Medical Conditions Aggravated By: None.

Other Effects Of Overexposure: None.

Overexposure:

Carcinogenicity: Propane is not listed by NTP, OSHA or IARC.

04. FIRST AID MEASURES

Inhalation: Persons suffering from lack of oxygen should be removed to fresh air. If victim is not breathing, administer artificial respiration. If breathing is difficult, administer oxygen. Obtain prompt medical attention.

Eye: Contact with liquid or cold vapor can cause freezing of tissue. Gently flush eyes with lukewarm water. Obtain medical attention immediately.

Skin: Contact with liquid or cold vapor can cause frostbite. Immediately warm affected area with lukewarm water not to exceed 105°F (40°C).

Ingestion: None.

Notes To Physician: None.

05. FIRE FIGHTING MEASURES

Flash Point: -156F (-104C)

Autoignition: 842F (432C)

Flammable Limits - Lower: 2.2%

Flammable Limits - Upper: 9.5%

Extinguishing Media: CO₂, dry chemical, water spray or fog for surrounding area. Do not extinguish until propane source is shut off.

Fire Fighting Instructions: Evacuate all personnel from danger area. Immediately cool container with water spray from maximum distance, taking care not to extinguish flames. If flames are accidentally extinguished, explosive re-ignition may occur. Stop flow of gas if without risk while continuing cooling water spray.

Fire And Explosion Hazards: Propane is easily ignited. It is heavier than air, therefore, it may collect in low areas or travel along the ground where an ignition source may be present. Pressure in a container can build up due to heat, and it may rupture if pressure relief devices should fail to function.

Hazardous Combustion Products: None known.

Sensitivity To Static Discharge: Possible, container should be grounded.

Sensitivity To Mechanical Impact: None.

06. ACCIDENTAL RELEASE MEASURES

Evacuate: Evacuate the immediate area. Eliminate any possible sources of ignition, and provide maximum explosion-proof ventilation. Shut off source of propane, if possible. If leaking from cylinder, or valve, contact your supplier. Never enter a confined space or other area where the concentration is greater than 10% of the lower flammable limit which is 0.22%.

07. HANDLING AND STORAGE

Storage: Specific requirements are listed in NFPA 58. Cylinder storage locations should be well-protected, well-ventilated, dry, and separated from combustible materials. Cylinders should never knowingly be allowed to reach a temperature exceeding 125°F (52°C). Cylinders of propane should be separated from oxygen cylinders or other oxidizers by a minimum distance of 20 ft., or by a barrier of non-combustible material at least 5 ft. high having a fire resistance rating of at least ½ hour. Full and empty cylinders should be segregated. Use a first-in, first-out inventory system to prevent full containers from being stored for long periods of time.

Cylinders should be stored upright with valve protection cap in place and firmly secured to prevent falling or being knocked over. Protect cylinders from physical damage; do not drag, roll, slide or drop. Use a suitable hand truck for cylinder movement. Post "No Smoking or Open Flames" signs in the storage areas. There should be no sources of ignition. All electrical equipment should be explosion proof in the storage and use areas. Storage areas must meet national electric codes for

class 1 hazardous areas.

Handling: Propane is heavier than air and may collect in low areas that are without proper ventilation. Leak check system with leak detection solution, never with flame. If user experiences difficulty operating cylinder valve, discontinue use and contact supplier. Never insert an object (e.g., wrench, screwdriver, pry bar, etc.) into valve cap openings. Doing so may damage valve, causing a leak to occur. Use an adjustable strap wrench to remove over-tight or rusted caps. Non-sparking tools should be used. Never strike an arc on a compressed gas cylinder or make a cylinder a part of an electrical circuit. Electrically bond and ground cylinder when transferring liquid product. For additional precautions in using propane see Section 16 - Other Information.

08. EXPOSURE CONTROLS - PERSONAL PROTECTION

Engineering Controls:

Ventilation: Natural or mechanical to prevent accumulation in worker's breathing zone above exposure limits. (See Section 2).

Personal Protective Equipment (PPE):

Clothing: Cotton Clothing is recommended for use to prevent static electric buildup.

Glasses: Safety glasses are recommended when handling cylinders.

Shoes: Safety shoes are recommended when handling cylinders.

Gloves: Work gloves are recommended when handling cylinders.

Respirator: None required in general use.

Emergency Use: Self-contained breathing apparatus (SCBA) or positive pressure airline with mask are to be used in oxygen-deficient atmosphere. Respirators will not function. Before entering area, you must check for flammable and oxygen deficient atmospheres.

09. PHYSICAL AND CHEMICAL PROPERTIES

Physical State: Gas

Color: Colorless

Odor: Unodorized propane has a slightly sweet odor. If an odorant has been added it will have a strong unpleasant odor.

Molecular Weight: 44.097

Boiling Point: -43.67°F (-42.04°C) @ 1 atm

Specific Gravity: 1.5223 At 70°F (21.1°C) @ 1 atm, Air = 1

Freezing/Melting Point: -305.84F (-187.69C) at 1 atm

Vapor Pressure: 109.73 psig, (756.56 kPa) at 70°F (21.2°)

Vapor Density: 0.110 lb./cu ft (1.1.77kg/CuM), At 70°F (21.1°C) @ 1 atm

Water Solubility: .065 Vol./Vol. At 100° F (37.8°C)

Expansion Ratio: 1 to 290 at 70°F (21.1°C)

pH: Not applicable

Odor Threshold: 1800 mg/CuM

Evaporation Rate: Not Applicable - Gas

Coefficient Of Water/Oil Distribution: Information not available

10. STABILITY AND REACTIVITY

Chemical Stability: Stable

Conditions To Avoid: None.

Incompatibility With Other Materials: Oxidizing agents.

Hazardous Decomposition Products: None.

Hazardous Polymerization: Will not occur

11. TOXICOLOGICAL INFORMATION

Other Studies Relevant To Material: Propane is nontoxic and is a simple asphyxiant, however it does have slight anesthetic properties and higher concentrations may cause dizziness.

Irritancy Of Material: None.

Reproductive Effects: None.

Teratogenicity: None.

Synergistic Materials: None.

Sensitization To Material: None.

Mutagenicity: None.

12. ECOLOGICAL INFORMATION

ECOTOXICITY: No adverse ecological effects are expected. Propane does not contain any Class I or Class II Ozone depleting chemicals (40 CFR Part 82). Propane is not listed as a marine pollutant by DOT (49 CFR Part 171).

13. DISPOSAL CONSIDERATIONS

Waste Disposal Method: Do not attempt to dispose of residual or unused quantities. Return cylinder to supplier.

Residual product within process system may be burned at a controlled rate, if a suitable burning unit (flare stack) is available on site. This shall be done in accordance with federal, state, and local regulations.

14. TRANSPORT INFORMATION

DOT/IMO Shipping Name: Propane

HAZARD CLASS: 2.1 (Flammable gas.)

Identification Number: UN 1978*

PIN: 1978

Product RQ: None.

Shipping Label: Flammable Gas.

Placard (When Required): Flammable gas.

Special Shipping Information: Cylinders should be transported in a secure position, in a well ventilated vehicle. The transportation of compressed gas cylinders in automobiles or in closed-body vehicles can present serious hazards and should be discouraged.

Special Shipping Information *For domestic transportation only: The identification number UN 1075 may be used in place of the identification number UN 1978. The identification number used must be consistent on package markings, shipping papers, and emergency response information (Special provision 19 from 49 CFR 172.101).

TOP OF THE PAGE

WOULD YOU LIKE MORE INFORMATION OR LEAVE A MESSAGE

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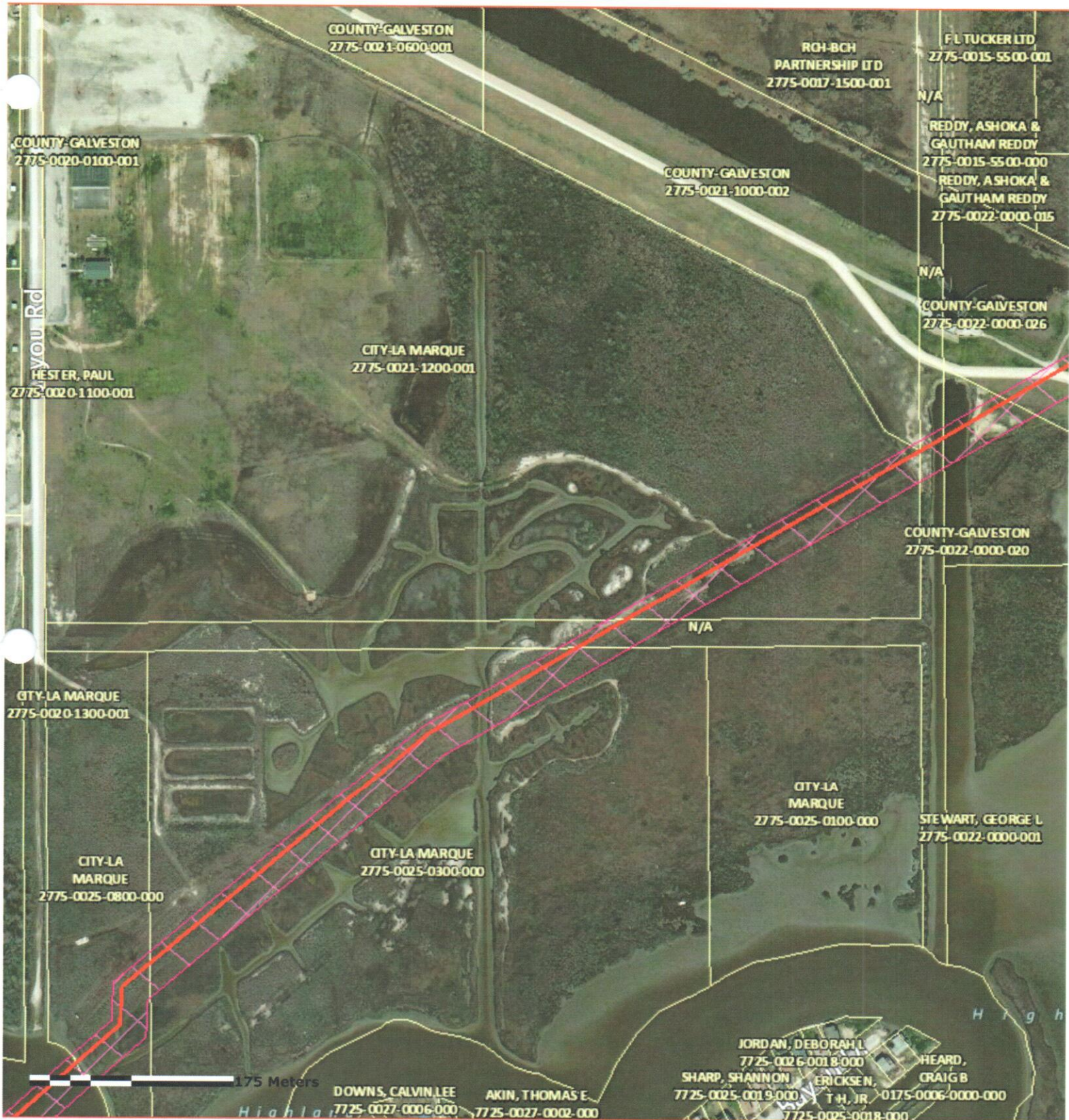
Web Viewer



Legend

- MP
- Still needs reworked
- Galveston
- Preferred Route
- Option B Alt

Web Viewer



Legend

- MP
- Still needs reworked
- 19780_TWS
- Galveston
- Preferred Route
- Option B Alt
- 19780_ATWS



CITY COUNCIL AGENDA FORM

Meeting Date: March 26, 2012

Agenda item: 9c

Prepared by: Ana Tims

Reviewed by: _____

Department: Development Services

AGENDA ITEM DESCRIPTION:

c. Discussion/possible action on Planning & Zoning Commission's recommendation on proposed rezone for a property described as ABST 2, S F AUSTIN SUR TR 66 1.603 ACRES; 304 Newman from (R-1) single family residential to (C-1) general commercial



Attachments for Reference

Staff Briefing

The Planning & Zoning Commission held a Special Meeting on February 27, 2012 to discuss the proposed rezone for a property described as ABST 2, S F AUSTIN SUR TR 66 1.603 ACRES; 304 Newman from (R-1) single family residential to (C-1) general commercial.

Discussion involved the owner's plans to store flammable material tanks on-site and concerns regarding the close proximity of an elementary school and senior living apartment complex. After discussion, the Planning & Zoning Commission voted to recommend that City Council deny the rezone request.

Building Official Tims will be at the meeting to answer any questions City Council may have.

History (if applicable):

Target Implementation:

Significant Action Dates:

Action:

☐

Ordinance

☐

Resolution

☐

Proclamation

☐

Special Presentation

☐

Finance Report

☐

Public Hearing

☒

Other

Staff's Recommended Motion:

Fiscal Impact: None

Cost Details: N/A	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

T OPEN

ER CITY NO. 3

E

6892

(6-3)

BYRD

NEWMAN RD.

3

5

2-70

0002-0070-0000-000

2.386 AC

2-69

0002-0069-0000-000

2.337 AC

2-68

0002-0068-0000-000

1.717 AC

2-67

R131600

.317 AC

2-65

0002-0065-0000-000

1.136 AC

2-64

0002-0064-0000-000

1.135 AC

2-64-1-0

0002-0064-0001-000

0.365 AC

2-63

0002-0063-0000-000

.957 AC

2-62

0002-0062-0000-000

.819 AC

2-61

R131296

.662 AC

GULF FW

**PLANING AND ZONING COMMITTEE
SPECIAL MEETING
February 28, 2012**

MEMBERS THAT WERE PRESENT:

Dickey Stanley
Mike Castelline
Norman Koneman
C.J. Leggett

STAFF THAT WAS PRESENT:

Carol Buttler, City Manager
Ana Tims, Building Official
Erica Grundmann, Permit Clerk
Jennifer Pierce, Fire Marshall

OTHERS THAT WERE PRESENT:

Pastor Robert "Trey" Dowdy
Jessica Torres
Burnett Pochahontas
Marlow Dowdy
Darren Hurley
Tom Vaught

1. CALL TO ORDER at 4:02 p.m.

2. ROLL CALL

All members of the commission were present except for Vice-Chair Peggy Phillips and Annette Callis.

3. INVOCATION AND PLEDGE OF ALLEGIANCE

Presented by Pastor Robert "Trey" Dowdy

4. APPROVAL OF MINUTES

Regular Meeting of January 12, 2012, Mr. Stanley made a motion to approve the minutes. C.J. Leggett Seconds the motion and the motion passed unanimously.

5. CITIZENS PARTICIPATION

Mr. Konneman asked if anyone wanted to speak on any appropriate matter. No citizens requested to speak.

6. NEW BUSINESS

a. Discussion/Possible action on the proposed abandonment of Part of a 60 foot Street Right of Way, Lying North of F.M. 519, Out of Greb Addition

Mr. Koneman stated that everyone had seen the plat. Mr. Leggett made a motion to discuss the item. Mr. Stanley seconds the motion. The motion passed unanimously. The motion opened for discussion. Mr. Koneman stated that the proposal was to abandon the section of the 60 foot right of way that faces Main Street, and the rest of it will remain as it is. Mr. Konneman asked if there were any comments on that. Mr. Leggett. Asked if they abandon that portion what would happen to the rest. Mr. Konneman stated that the other section will remain as it is and accessible to any parties that desire to use any part of that road. Mr. Konneman asked if there was a motion to approve, or disapprove the recommendation of abandoning that short stretch of land. Mr. Stanley made a motion to approve the 60 foot abandonment of the right of way on the south of a 60 foot Street Right of Way, Lying North of F.M. 519, Out of Greb Addition part. Mr. Castelline seconds the motion. Mr. Konneman asked for any other comments. City attorney Ellis Ortego stated that he understands that one of the adjoining property owners is opposed to the abandonment.

Mr. Koneman stated "Where did he go? I don't see him. Oh there he goes." Mr. Koneman pointed out the section that Mr. Paul Covey owns. He also added that Mr. Covey was opposed to the abandonment. Mr. Konneman stated that on the property there was a sign. He added that Mr. Covey was complaining that he did not have adequate ingress or egress. He pointed out the frontage road and the freeway as related to the property. He also added that there was ingress and egress to the property. Mr. Konneman also added that Mr. Gartrell who represents the other interested party stated that as a concession they are leaving of the property open therefore the request to seek only a portion of the right of way to be abandoned. Mr. Ortego asked if they would require a curb cut in the frontage road. Mr. Konneman stated that it should require an entry permit to the frontage road. Mr. Koneman also pointed out the water way that has already be abandoned. Mr. Koneman stated that the proposal is an attempt to reach a compromise between the two parties. Mr. Konneman also added that in the workshop earlier that day it was thought to be a reasonable compromise. Mr. Ortego asked if it was in fact a compromise. Tom Vaught representative for Paul Covey shook his head indicating "No" Mr. Konneman stated that there was a big sign on the property. Mr. Koneman also asked if the city received any revenue from the sign. Mrs. Tims informed the board that at this time the sign has not been developed. Mrs. Tims also added that due to our ordinance regulations the sign would not be able to be developed until the existing billboard is removed. Mr. Koneman also added that the complaint is that there is no ingress or egress. Mr. Konneman added that he drove to the property and that between there and Vauthier there are many enterprises that are in the same situation. Mr. Konemman also added that it was a bit tight for him, but that the Vauthier access was approximately a mile away.

Mr. Koneman also added that McDonalds had the same situation. Mr. Ortego stated that was all he had to say. Mr. Konemman asked again for any other comments. No one spoke. Mr. Koneman asked for a vote, Mr. Leggett abstained from voting, and Mr. Castelline, Mr. Stanley, and Mr. Konemman voted to approve. The motion passed.

→ **b. Discussion/Possible action on the proposed rezone for a property described as ABST 2 S F AUSTIN SUR TR 66 1.603 ACRES; 304 Newman from (R-1) single family residential to (C-1) general commercial**

Mrs. Tims presented to the board that the property was located at 304 Newman. She also added that the owner wanted to store butane tanks. She also added that Fire Marshall Mrs. Pierce had prepared a presentation for the board. Mr. Koneman asked how close where there residences? Mrs. Tims informed the commission that there were residences adjacent to the property as well as an apartment complex that caters to seniors, and mainland Preparatory Academy. Mr. Koneman asked what percentage of the road was commercial. Mrs. Tims informed the board that everything from IH 45 to the property was already zoned commercial. She also added that this is the reason it would not be spot zoning. Mrs. Tims asked the board that they look at the maps in their packet. Mr. Stanley pointed out Mainland preparatory academy and asked if that was the school. Mr. Leggett asked what where they doing with the tanks. Mrs. Tims informed that board that the owner at this time only states that they are storing the empty tanks on the property. It was noted that the petitioner was not present at the meeting.

Mrs. Pierce presented applicable codes. She added that flammable storage and cylinder storage was allowed in the city; however the code does not interpret cylinders as empty or with residue. She added that in addition with the close proximity to the school and to a community that is comprised largely of a population that would have difficulties during a disaster and adding the proximity to the freeway did not make it an ideal location for the property. She presented the fire code to the commissioners and informed that that the tanks have not been inspected, and that the property did not meet minimum standards of protection. Mrs. Pierce also added that as the Fire Marshall and the Emergency Management Coordinator she could not recommend the re-zoning for the purpose of storing gas cylinders.

Mr. Koneman stated that he was not at all in favor of the approval due to the explosive and flammable materials. He added that an industrial area would be better suited for it. Mrs Tims read a letter opposing to the proposed chance.

Mr. Koneman asked what the city policy was for storing butane tanks across those areas. Mr. Ortego responded that this was the reason it was before Planning and Zoning, and that the next step is for city council to determine if this is the best use of the property or not. Mr. Konemman asked if there would be any liability to the City. Commisioners asked who the letter was from. Mrs. Tims informed the board that it was from Nayoda Fisher, who has a parcel that has not been addressed. Mr. Stanley asked if the re-zoning did not occur did the tanks have to be removed. Mrs. Pierce

stated that at the time the tanks were improperly placed. Mr. Koneman stated that it was a high risk for the kids. Mr. Stanley made a motion to reject the re-zoning of the property. Mr. Leggett seconds the motion and the motion passed unanimously.

**c. Discussion/Possible action on the proposed revision of City Ordinance
Section 71-21 (a) Screening elements (3) residential districts (a &b)**

Mrs. Tims presented to the board that Barry Alexander owner of A-Z fencing proposed to change the minimum size of screening from 6 feet to a larger size to allow for rot boards to be placed under the pickets on newly installed fences. Mr. Konemann asked if he was asking to a variance. Mr. Tims informed the commissioners that he was requesting a change in ordinance. Mr. Stanley stated that it was a reasonable request. Mr. Leggett stated that the specific height should be increased to 7 feet. Mr. Leggett made a motion to approve the increase of the maximum height of a residential fence to seven feet. Mr. Stanley seconds the motion and the motion passed unanimously.

**d. Discussion/Possible action to approve a re-plat of the properties located at
ABST 150 PAGE 1 S 62.5 FT OF LOT D (0-401) SHANNON TRACT ; 1705
Brooksire; R308396 and ABST 150 PAGE 1 LOT 7 SHANNON TRACT;
R199646**

There was a discussion on the item from the commissioners. Mrs. Tims informed the commissioners that the re-plat is needed to allow the construction of a new home for Mrs. Pocahontas Jessica Torres presented before the commissioners the proposal to allow Mrs. Pocahontas to be eligible for a grant. Mrs. Tims stated that the two properties would be adjoined to make one. The new home would have a Kansas frontage. Stanley made a motion to approve the re-plat, Mr. Leggett seconds the motion and the motion passed unanimously.

7. REQUESTS AND ANOUNCEMENTS

There were no requests from the commissioners

8. ADJOURNMENT –

Mr. Leggett made a motion to adjourn at 4:39 P.M. Mr. Stanley seconds the motion and the motion passed unanimously.



Normann Konneman



CITY COUNCIL AGENDA FORM

Meeting Date: March 26, 2012

Agenda item: 9d

Prepared by: Ana Tims

Reviewed by: _____

Department: Development Services

AGENDA ITEM DESCRIPTION:

d. Discussion/possible action of appointment a Chairman to the Board of Adjustments

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Attachments for Reference

Staff Briefing:

As per City of La Marque Code of Ordinances, Section 71.25 The City Council shall designate one member as chairman....

BOARD OF ADJUSTMENT- ORD. 953 CITY COUNCIL APPTS. MEMBERS AND MAY APPT. 2 ALTERNATE MEMBERS		Two Year Terms	
1. Charlotte Westerlage	825 Shady Lane	13	D
2. Greg Cornett	1310 Cedar Drive	14	C
3. Herman Harper	102 Union	13	A
4. Harold Augustus	1030 Laurel	14	M
5. C.J Leggett	1225 Kirsten	13	B
ALTERNATES			
1. Willie Alexander	2114 Evergreen		D
2. Jim Rex	214 Nanlee		B

Building Official Tims will be at the meeting to answer any questions City Council may have.

History (if applicable):

Target Implementation:

Significant Action Dates:

Action:

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Ordinance

☐

Resolution

☐

Proclamation

☐

Special Presentation

☐

Finance Report

☐

Public Hearing

☒

Other

Cost Details: N/A

Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommended Motion:

Fiscal Impact: None



CITY COUNCIL AGENDA FORM

Meeting Date: March 26, 2012

Agenda item: 9e

Prepared by: zt

Reviewed by: _____

Department: Admin

AGENDA ITEM DESCRIPTION:

f. Discussion/possible action on authorizing the City to enter into a license agreement with Alejandro Medellin for use of certain property in Mahan Park



Attachments for Reference

Staff Briefing:

The Parks Board has been working closely with this organization for the use of Mahan Park Ballfields and proposes the attached agreement for City Council consideration. Parks Board Chairman McGaffey will present this item to Council.

History (if applicable):

Target Implementation:

Significant Action Dates:

Action:

☐

Ordinance

☐

Resolution

☐

Proclamation

☐

Special Presentation

☐

Finance Report

☐

Public Hearing

☒

Other

Cost Details: N/A

Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Item #	
Other Funding	

Staff's Recommended Motion:

Fiscal Impact: To be determined

**LICENSE AGREEMENT
FOR THE USE OF LAND OWNED BY THE CITY OF LA MARQUE
FOR ATHLETIC FUNCTIONS**

SECTION 1. Parties. This License Agreement (the "Agreement") is made by and between the City of La Marque (hereinafter called "City") and _____ (hereinafter called "Licensee").

SECTION 2. License. City hereby grants Licensee a license to use athletic fields in Mahan Park and concession stands located next to the athletic fields (the "Premises"), said Premises being owned by the City of La Marque and located within the corporate limits of the City on the real property legally described as follows: _____

_____.

SECTION 3. Consideration. As consideration for the license hereby granted, Licensee shall pay the City the sum of \$_____ per year. During the term of this Agreement, Licensee shall also pay all charges for water service to the Premises and a prorated amount as determined by the City for electrical service to the Premises.

SECTION 4. Term and Termination. The license to use the Premises granted herein shall be for a two (2) year period beginning on _____, 2012, and terminating on _____, 2014, provided that City may at any time, on not less than thirty (30) days advance written notice to Licensee, revoke permission to use the Premises herein granted and may take possession of the Premises without being guilty in any manner of trespass; and all claims for damages for and by reason of such re-entry are hereby expressly waived by Licensee. It is agreed that City revocation of this Agreement prior to the expiration of the two-year term hereof must be authorized by the City Council at a regular or special meeting.

SECTION 5. Actions on Termination and Indemnity. Upon termination or expiration of this Agreement, Licensee agrees to peacefully give up the use and possession of said premises to City and shall remove all equipment, uniforms, and personal property. Upon termination or expiration of this Agreement, all physical improvements placed upon the Premises by Licensee shall remain in place. It is further agreed that the City Council shall have the right to approve all plans and specifications before any improvements are made to the Premises by Licensee, other than normal maintenance, and Licensee shall submit all such plans and specifications to the City Council for review and approval.

It is expressly understood and agreed that Licensee shall indemnify and hold City harmless from any liability for payment of any obligations incurred by Licensee or due to any improvements, etc., placed in or upon said Premises by Licensee. Licensee shall not encumber, in any manner, nor permit a lien of any type to be placed on, said Premises, and Licensee agrees to indemnify and hold harmless City in regard to any such financial obligations, liens, or encumbrances of any kind.

SECTION 6. Concession Stand. Licensee shall be permitted to operate a concession stand located next to the athletic fields on the Premises and shall be permitted to sell merchandise and non-alcoholic beverages during the period from one (1) hour immediately before an athletic event commences until one (1) hour immediately after said athletic event ends. Licensee shall provide adequate and suitable containers for collecting discarded cups, papers, and trash from the operation of said concession stand and shall be responsible for keeping the entire Premises free of all papers, cups, and trash resulting from the operation of said concession stand. At no time shall Licensee sell or allow the sale of beer, wine, or any other alcoholic beverage.

SECTION 7. Equal Opportunity. It is agreed and understood that Premises owned by the City are the subject of this Agreement and that in the conduct of Licensee's operation thereon, discrimination on account of race, color, sex, religion, age, disability, or national origin, directly or indirectly, is strictly prohibited.

SECTION 8. Maintenance and Responsibility. Licensee shall maintain the Premises in good condition satisfactory to City. Licensee shall be responsible for the costs of utility service to the Premises.

SECTION 9. Commercial Advertising. All commercial advertising shall be maintained in a state of good repair. All fence signs shall be removed at the end of the regular season.

SECTION 10. Annual Report and Financial Statement. It is agreed that Licensee shall furnish to the City Manager a financial statement of the past year's operation by **September 30** of each year.

SECTION 11. Insurance and Indemnification. As a condition precedent to the effectiveness of the license hereby granted, Licensee agrees to indemnify and hold harmless City, its officials, employees, and agents from and against any and all costs, claims, and damages (including attorney's fees) that may be caused by the use of the Premises, and shall protect and indemnify City from any and all claims, costs, expenses, judgments, and causes of action arising out of or in any way related to the use of the Premises, and shall defend any litigation arising in connection with such use at its own cost and expense. In addition, Licensee agrees to obtain and maintain an insurance policy protecting City from any liability and to have City named as an additional insured under said policy. Such policy shall be for not less than \$500,000.00 per person for bodily injuries, not less than \$100,000.00 for property damage, and an aggregate limit of not less than \$1,000,000.00 per occurrence. Proof of payment of premium for said policy and a copy of said policy shall be delivered to and kept by the City Manager of City, and such insurance shall be maintained in full force so long as this Agreement is in effect. Not less than ten days prior to expiration of a current insurance policy, Licensee shall provide a copy of a new or replacement insurance policy to the City Manager of the City inclusive of evidence of the City continuing to be named as an additional insured under the policy.

SECTION 12. Validity. Each section, subsection, provision, requirement, regulation, or restriction established by this Agreement is hereby declared to be independent, and the holding of any part to be unconstitutional, invalid, or ineffective for any cause shall not affect or render invalid this Agreement or amendments hereto, as a whole or any part thereof, except the particular part so declared to be invalid.

SECTION 13. Authority. Each individual signing this Agreement certifies that he or she has been duly authorized to sign this Agreement by the party for whom he or she signs.

SECTION 14. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Venue shall be in Galveston County, Texas.

SECTION 15. Attorney's Fees. The party prevailing in any dispute under this Agreement shall be entitled to recover its reasonable attorney's fees and costs in addition to all other relief.

SECTION 16. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, personal representatives, successors and assigns. Notwithstanding the foregoing, Licensee may not assign its interest under this Agreement without obtaining the prior consent of the City, acting through its City Council. If Licensee desires to assign its interest under this Agreement, Licensee must submit a written request to the City Manager seeking permission to assign its interest and identify to whom the Licensee proposes to assign its interest and the terms of any such assignment. The request for assignment will be considered by the City Council at a regular meeting and the City Council, in its sole discretion, may vote to consent to the assignment or vote to not consent to the assignment.

SECTION 17. Counterparts. This Agreement may be executed in one or more counterparts which, when taken together, shall constitute one and the same document. This Agreement may be executed by facsimile signature or by a signature transmitted by facsimile and such facsimile signature or such signature transmitted by facsimile shall be considered the same as an original signature for all purposes.

CITY:

CITY OF LA MARQUE

By: _____
Name: _____
Title: _____

LICENSEE:

By: _____
Name: _____
Title: _____

CITY OF LA MARQUE INTER-DEPARTMENTAL COMMUNICATION

TO: Honorable Mayor Hocking and City Councilmembers
FROM: Carol Buttler, City Manager
DATE: March 26, 2012
SUBJECT: City Manager Report

Council indicated a preference to receive a report at both Council meetings each month. At the first meeting of the month, staff will provide you narratives of information acquired since the previous meeting. At the second meeting of the month, staff will continue to provide you the data charts plus narratives of information that occurred between Council meetings. Staff will continue to improve on the format and information provided.

a. Finance Department

- Revenues appear to be on target and expenditures are under budget. Staff is closely monitoring their budgets while still making purchases needed for routine operations.
- Although Medicare payments for EMS/Ambulance have not been receipted in January or February by Direct Deposit, we are being assured by Intermedix that they are working with the Federal entity to get the issue resolved. The issues are on the Federal end and not Intermedix. All payments will be backdated and deposited into City's operating bank account once the issues have been resolved.
- Finance is designing new forms for the budget workbook for coming fiscal budget FY 2013. Meetings with Department Heads will be scheduled in April and budget workbooks put together for distribution in May.

b. Library

- The circulation of books is up 35% over the same time last year, despite losing \$6500 in state funding. The door count is up 9% and the circulation of DVDs is up 6%. On February 8th, I attended the Galveston County Library Director's meeting in Texas City. La Marque residents have saved \$137,112 this fiscal year by using library materials instead of buying them.

c. Public Safety

- **Personnel:**

LMPD:

Nothing to report.

LMFD:

Administrative Assistant vacancy exists in the Fire Department: Interviews have taken place and at least one (1) candidate is being considered at this time (additional interviews may occur.)

- **Training:**

LMPD: Nothing to report.

LMFD: Nothing to report.

- **Operations:**

LMPD:

Clean City Commission Chairman David Pennington and Chief Aragon are working together on a "Spring Clean up" event to take place on April 21, 2012. Event will involve all 14 Community Watch groups performing litter pickup within their neighborhood followed up with a cookout outside City Hall.

LMFD:

Bunker Gear inspections, as per the findings of Texas Commission of Fire Protection (TCFP) inspection, are scheduled to occur during April (next month).

An action plan is being formulated (in coordination with Public Works) for the Fire Department to initiate “Flow testing inspections” of hydrants. Once such inspections commence it will be reported monthly within the *Report to City Council*.

City Council expressed desire that Fire Chief Weidman eventually reside in the City of La Marque was communicated to Chief Weidman by Chief Aragon. Factors bearing on this issue are that by city charter only the City Manager must reside within the city limits. (The requirement that the Police and Fire Chief reside in the city may be a consideration for a future charter amendment.)

The *Revenue Rescue Reimbursement System* does in fact bill insurance companies for both fire and police responses for services for work such as the tanker rollover on 3-16-12. The Fire Department computes and bills for vehicle crashes, commercial fires, and hazmat responses. (This was a question posed by Councilman Osteen.)

g. Fire Marshal

- The Office of Emergency Management is continuing to monitor the drought conditions. While we remain under a burn ban, the City of La Marque continues to experience small brush or grass fires. Citations are being issued to those people who are burning illegally. At this time there is NO burning allowed within the City limits. Once the burn ban has been lifted, residents, who meet all of the requirements, will be allowed to burn with the proper permit.
- Recently, EMC Pierce met with the City Manager and Department Heads to discuss various procedures for employees as she continues to update the City’s Disaster plan to be presented to the Council in the near future.
- GRANTS
Fire Marshal Pierce continues to seek out various grants for the City. At this time applications are being submitted for various small grants to help with the purchase of much needed items to replace damaged or out of date equipment currently in use. Additionally, FEMA is currently working with the City to audit both existing and completed grants associated with the damage from Hurricane Ike. A Grant Taskforce has been created to provide oversight on the financial and logistical aspects of all of the grant monies received by the City.

d. Public Works Department

GLO Round 1.0 Grant Projects

- **Huff & Mitchell –CDBG sewer line Grant** – At this time, we are waiting for the deposit of funds from the CDBG Grant Program to make the final payments to the contractor. Director will be checking with the Finance Department for the deposit of funds. This project involved an area bound by FM 1765, Hwy. 3 and Cedar.
- **Alsay Equipment – GLO Grant Project Water Well Contract Take Point #2**– Final walk through and substantial completion was conducted February 28th. Several items were pointed out with the emergency generator, site grating and disposal of excess dirt left on-site. Due to items being incomplete, a second walk through was scheduled for the start up and training pertaining to the generator. City staff has forwarded all the required information pertaining to the 150 foot sanitary sewer easement to LJA Engineering for review and comment. This easement needs to be established as part of the adjacent property owner’s deeds. Staff has conducted a search of deeds for all the affected property owners. This information has been gathered for the process to draw up the easement for the surrounding property owners for approval. At this time, land owners have not been contacted.
- **Long & Son - GLO Grant Project Magnolia Water Plant** – The general contractor has completed all of the control building’s construction, site grading and pump piping work. The electrical sub-contractor has been on site and has completed the installation of the underground piping, electrical control equipment, emergency generator switch gear and transformer. The sub-contractor for the well, Weisinger has requested to run 24 hours a day to clean and re-proof the well. City staff has indicated to the sub-contractor that this location of work is in a residential area and we have concerns about noise complaints. We have granted their request for 24 hour operations but we have instructed the contractor that he will be shut down if we receive complaints about the work. If shut down, the contractor will have to submit a modified work schedule.

- **Generators of Houston - GLO Grant Project Fire Station Generator** – We have completed the substantial completion and walk through on February 29th. Start-up and training was conducted with Fire Department staff. One problem was noted during the walk through, the engine block heater needed to be converted from 110 to 220.
- **C.F. McDonald Electric - GLO Grant Project Waste Water Treatment Plant, Volney & Delany Generators** – The new gas line and meter has been installed for the Waste Water Treatment Plant. A final walk through is being scheduled in March.
- **Funding for GLO Round 2.1 Disaster Projects** – City staff met with LJA Engineering and went over the project descriptions and statements of work to be completed for Round 2.1. This grant information and cost were developed late 2010 and we wanted to confirm there were no major changes within the work location. After confirmation, LJA Engineering started surveying the water and sewer line routes pertaining to this disaster recovery grant for engineering purposes.
- **Funding for GLO Round 2.2 Disaster Projects** – The City is waiting for approval for the Round 2.2 Recovery Funds from the GLO.
- **2010 -2011 Street Improvement Program Projects 1, 2 & 3** – The asphalt crew has completed all of the driveway and intersection tie-ins pertaining to Projects 2 & 3. These two projects are approximately 95% complete. Within Project 1, the contractor has completed 50% of base repairs and approximately 25% of the overlays.
- **Meetings**
 February - conducted weekly staff meeting with supervisors
 February 2 – Public Works Staff meeting on “Tape Recording Policy”
 February 15 – Gulf Coast Water Authority @ City Hall with Ivan Langford
 February 16 – TCEQ Drought Workshop / after hours in Liberty, TX
 February 17 – City Hall – Human Resource, employee issues
 Met with City Councilman and Independent Laboratory on Newman Road
 February 22 – Galveston County Appraisal District with Ken Wright on City Limit Line
 February 24 – Police Department with Chief on Trash Pick Up on Saturday’s
 February 28 – Water Plant Take Point #2, final walk through KSA Engineering, with City Manager over drainage issues
 February 29 – Fire Station Generator, on-site walk through Banana @ Hwy 146, on-site meeting in reference to street light
- **Stage 2 Drought** – The City of La Marque is still maintaining Stage 2 Drought Contingency Plan.
 February 1st – February 29th, 2012 Water Usage Amounts
 29 day average 2.235 million gallons a day- 80.4% of capacity
 Peak day usage was 2.460 million gallons a day-88% of capacity
 Minimum day usage was 2.048 million gallons a day-72% of capacity.
- La Marque Cemetery Board, March 1, 2012 – members discussed upcoming events including a Cemetery walk through scheduled for April 14th; this allows members to check and verify recorded names with spaces. Members also discussed options for Memorial Day and Veteran’s Day programs. Board tabled discussion on the reissuing of deed for the Anizan plot F-2 spaces 4-9 due to the lack of information.
- Special Parks Board meeting, March 9, 2012 – member discussed and voted on a new structured lease agreement for the athletic fields in Mahan Park. The motion to adopt was unanimous.
- Meeting with representatives from Dow Pipeline Company and Mustang Engineering in regards to surveying a proposed pipeline route with an existing corridor through the southerly portion of Highland Bayou Park.
- Contacted Gulf Coast Engineering concerning surveying a power easement for TNMP within the Magnolia Well site area.
- **Street Lights Updates:**
 Glendale – contacted property owner to sign an easement agreement between the City, Texas New Mexico and owner allowing a 5 foot power easement through owner’s property for light. Contacted Gulf Coast Engineering about surveying easement.
 Meadow Lane – paperwork completed and location marked; TNMP to schedule installation of street light.
 Banana – location marked and paperwork completed and routing through departments for signatures to authorize the installation of street light.
 Preston – field survey completed; beginning paperwork process to authorize.
- Public Works Department received bids on new parks playground equipment and the safety surfacing materials for the equipment.

- La Marque Aid & Guidance – drew out to scale the kitchen area of building for the Galveston County health Department; this is part of the permitting process.

e. Economic Development Board

- Alex met with Fred Welch (Vice President of Regional Economic Development for the Greater Houston Partnership) last week to discuss economic development opportunities in La Marque.

FINANCE DEPARTMENT

FINANCE DEPARTMENT

February 29, 2012

(Includes 5 Employees = Finance Director, Accounting Clerk, Clerk/Purchasing, A/P Clerk, P/R Clerk)

CITY OF LA MARQUE

	Current February	Last Month January	Current Fiscal Year-to-date
DEPARTMENT INQUIRIES	Man Hours	Man Hours	Man Hours
Finance Director's Office	10	6.75	24.75
Walk-ins	4	5	16
Customers by Phone	15	11	51.25
MEETINGS & PRESENTATIONS	Man Hours	Man Hours	Man Hours
Meetings	25.75	24.5	108.7
Rust-Ewing Employee Benefits	0	0	8
Republic Services/Allied Waste	3.5	1.5	14.5
PROFESSIONAL DEVELOPMENT	Man Hours	Man Hours	Man Hours
Workshop/Conference Attended	0		0
On-Line courses completed	0		2
In-House Training	24		53.5
CPR Training & Certification from Fire/EMS	0		5
SPECIAL PROJECTS/REPORTS	Man Hours	Man Hours	Man Hours
Purchasing Policy	5	12.5	63.5
Bank Depository Agreement	0	0	42
Travel/Training Form - New	2	1.5	8
Health Ins by Dept for A/P	9	8.5	36
Reconcile Life, Dental, Vision & AFLAC	12	6	23
Refuse Monthly Breakdown for A/P	5	4.5	18
Budget Reports for Depts	3.5	5	16.5
In-House Departmental Audits	12	13	55
Daily Bank Deposits for All Depts	60	56	293
NSF Check worked for Collections	8.75	8.5	45.75
Vendor Maintenance - W-9's	10	4	23
Invoices Processed for A/P	95	80	426
Budgetary Controls for A/P	34	24	133.5
# of A/P checks processed	12	11.5	49.5
# of P/R checks processed	48	48	274
State & Federal P/R Reports	11	10	56
TMRS Monthly Retirement Report	4.5	5.5	24.5
P/R Deductions Check Runs	6	5	25.5
Spreadsheet for FEMA/Firefighter Reimb.		0	8
City Liens Filed with Galv County	4	2.5	42

FINANCE DEPARTMENT

February 29, 2012

(Includes 5 Employees = Finance Director, Accounting Clerk, Clerk/Purchasing, A/P Clerk, P/R Clerk)

CITY OF LA MARQUE

	Current February	Last Month January	Current Fiscal Year-to-date
Approving A/P for Payment	14.5	12	50
Filing of A/P & Invoices in Finance	12	9	79.5
A/P Spreadsheets for Invoices by Depts	18	21	65.5
Review P/R Times Sheets for Processing	40	44	199
ACH for Electronic Child Support Payments	4	4	12
Approving P/R for Employees	8	9	37.5
Bank Transfers for P/R	3.5	3	10.5
Pull Reports for Workers Comp Audit	0	0	10
Workers Comp Audit with TML	0	0	3
Processing Purchase Orders	60	65	208
Approval of Purchase Orders	40	50	99.5
Close Out of Prior Fiscal Year Purchase Orders	0	0	10
AS400 Nightly Backup and Server Cleanup	8	5	16
Reconcile Credit Card to G/L & Bank	8	6	19
Balance Bank Statements	8.5	9	41.5
Reconcile Bank to General Ledger	4	6	18.5
Journal Entry entries, edits & transactions	110	95	380.5
UB Unjournalized Transactions	8	9.75	39
Bank Deposits for all Departments	10.5	10	43
Brush Truck Case Study	0	0	13.5
EDC & PID Financials	5.5	5	21.45
Clean City Monthly Reports	2	2	6
Parks Board Monthly Reports	2	2	6
Change Order Audit	4	3	14
Change Orders for All Depts	3	4	20.5
Coke Machine Deposits	2	2	10.5
State Sales Tax Report	2.5	2	7.5
Various Reports for Finance & UB	15	15	61.5
Budget Worksheets for Various Depts	36	42	123.5
Property Tax Reports	4	2.5	20
Special City Manager/Council Projects	4	4	26.5
Payroll Maintenance for Accounting System	3	4	27.75
Purchasing Duties	12	8	21.5
Grants for Police Department (4)	4	2	46.15

FINANCE DEPARTMENT

February 29, 2012

(Includes 5 Employees = Finance Director, Accounting Clerk, Clerk/Purchasing, A/P Clerk, P/R Clerk)

CITY OF LA MARQUE

	Current February	Last Month January	Current Fiscal Year-to-date
Grants for Public Works (2)	5	5	36
SERVICE TO DEPARTMENTS	Man Hours	Man Hours	Man Hours
City Manager	3.5	4	21
Human Resources	3	2	22.5
Inspection/Code Enforcement	1	1	8
Municipal Court	2.5	2	13.5
Police	5.5	4	21.5
Fire/EMS	3.5	5	26.25
City Clerk	0.5	1	6.75
Library	2.5	1.5	18
Parks	1	1	8.25
Shop/Service Facility	1	1.5	12.5
PW Administration	1	1	4.5
Street	2	3	12.25
Information Technology	1	1	21.5
Fire Marshall	2.5	2	12
Refuse/Sanitation	18	15	66.5
Utility Accounting	60	54	237.5
Utility Line Maintenance	1	1.5	12.75
Water & Sewer Operations	1	1.5	12.75
Equipment Maintenance	1	1	8
Storm Water	0.5	0	1.25
Misc Fund Expenditure	2	2	11.5
	999.00	920.00	4,309.55

Utility Billing/Accounting Department

(Includes 2 Cashiers, 2 UB Clerks & 2 Meter Readers)

ACTIVITY REPORT

February 29, 2012

WEEK (1) 02/01-02/03	WEEK (2) 02/06-02/10	WEEK (3) 02/13-02/17	WEEK (4) 02/20-02/24	WEEK (5) 02/27-02/29	MONTHLY TOTALS
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METER ORDERS

New Connects	8	20	19	26	30	103
Disconnects	3	7	60	83	21	174
Reconnects	2	29	16	39	19	105
Finald for Non-Pay/Customer Requests	11	17	18	21	20	87
Check read meters & meter re-reads	2	1	1	5		9
Change Meter/Transponders	1	3	4	2	3	13
						491

** Note

REFUSE/CART ISSUES

Requests for Carts		9	10	9	18	46
Citizen Complaints/Concerns						0
						0
						0
						0
						0
TOTAL						46

TOTAL WORK ORDERS 537

SPECIAL PROJECTS

Balance UB & Cashier Deposits	12	20	20	20	12	84
Vacant with Consumption Accts Worked	3	0	11	23	31	68
U/B/Account Units Billed	2,290			3,347		5,637
Water Consumption Billed	19,450,000			42,187,000		61,637,000

** Note

**Note = Due to the different scheduling of Meter Readings and Actual Billing dates will never reflect the same number due to the fact we bill in arrears.

DEVELOPMENT SERVICES

Building and Inspections
Monthly Report
Ana Tims

Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec 2011	Fiscal Year To Date
Plumbing Inspections				
Gas Test	41	23	63	127
Plumbing Underground	3	3	24	30
Plumbing Top-Out	17	8	36	61
Plumbing Final	10	4	22	36
Water Heater	1	3	0	4
Sewer Line	4	4	32	40
Water Line	1	5	23	29
Total	77	50	200	327
Electrical inspections				
Electric Underground	0	0	0	0
Electrical Rough-In	16	0	37	53
Electrical Final	11	4	25	40
Electrical Meter Loop	27	28	43	98
Electrical Pool Bonding	0	0	1	1
generators	1	0	2	3
Temporary poles	0	0	2	2
Total	55	32	110	197
Mechanical Inspections				
Mechanical Rough In	14	5	28	47
Mechanical Final	8	4	20	32
Total	22	9	48	79

Building and Inspections
Monthly Report
Ana Tims

Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec 2011	Fiscal Year To Date
Building Inspections				
Foundation Slab/Pier	5	6	24	35
Framing	11	5	34	50
Driveways	4	5	22	31
Building Final	12	4	27	43
Brick Ties	0	0	1	1
Sign	0	0	2	2
Deck	0	0	1	1
House leveling	0	0	2	2
Bulkhead	0	0	3	3
Pool Seal	0	1	2	3
Total	32	21	118	171
Service Inspections				
Service Inspections (C of O)	3	3	4	10
			Total	10
Total Inspections				784

Building and Inspections
Monthly Report
Ana Tims

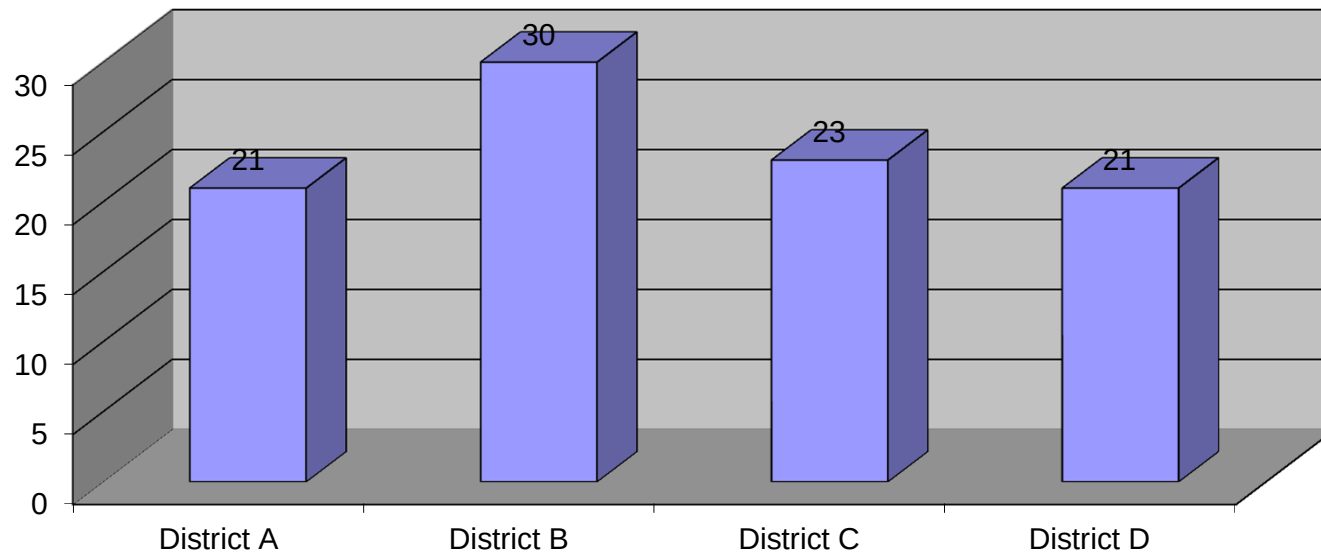
Building Permits

Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec 2011	Fiscal Year To Date
Flammable Fluids	2	1	1	4
Highland Bayou Park	3	2	1	6
Fire Code Plan review	1	0	1	2
Liquor License	5	8	4	17
Mechanical	8	9	28	45
Mobile Home Parks	1	0	2	3
Plan Reviews	5	6	17	28
Plumbing	30	39	80	149
Rezone	1	1	1	3
Public Information	3	0	2	5
Service Inspection	4	2	7	13
Culvert Setting	1	1	4	6
Electrical	27	20	55	102
Demolition	0	1	2	3
Community Room	0	0	2	2
Building	30	25	44	99
Burial	1	0	1	2
Coin Operated Machine	13	10	5	28
Temporary Operation	13	13	18	44
Replat Fee	0	2	0	2
Sign	0	1	0	1
Total	148	141	275	564

Building and Inspections
Monthly Report
Ana Tims

Building and trade permits by district for February 2012

	District A	District B	District C	District D
Building permits	5	9	11	5
Electrical permits	4	6	6	11
Mechanical Permits	2	2	1	3
Plumbing Permits	10	13	5	2
Total	21	30	23	21



Special Projects

Building and Inspections
Monthly Report
Ana Tims

Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec	Fiscal Year To Date
Code Enforcement Violations (properties may have more than one violation)				
High Grass	32	23	127	182
Unlawful Deposits	14	12	10	36
Required RV Park License	1	2	0	3
RV Parks Rules & Regulations	0	2	0	2
Junk Vehicles	6	26	6	38
Junkyard Applications	0	1	0	1
Junkyard Enclosure	0	1	0	1
Graffiti	2	1	3	6
Keeping of swine, fowl, etc	0	2	1	3
Accumulation of Rubbish or Garbage	3	3	0	6
Disposal of Rubbish or Garbage	5	5	0	10
Garbage,Rodents,Refuse & Other Waste	7	3	0	10
Removal of Rubble & Haz-Mat	0	1	0	1
Sanitation	5	3	0	8
Water Heater T & P Discharge	0	2	0	2
Water Systems	0	2	0	2
Plumbing Hazards	1	1	0	2
Property owner responsibility	5	3	0	8
Prohibited home occupations	0	1	0	1
Zoning District Violations	0	0	0	0
Peddlers Licence/ Liquor Lic required	3	0	0	3
Abandoned Premises	4	1	0	5
Security of Vacant Premises	6	2	0	8

Building and Inspections
Monthly Report

Vacant Premises	4	1	0	5
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Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec 2012	Fiscal Year To Date
Code Enforcement Violations (properties may have more than one violation)				
Industrial Business without a Dwelling	0	1	0	1
Subst./Delapidtd Bldg.	4	0	4	8
Dangerous Conditions	0	2	0	2
Unsafe Structures	7	4	0	11
Electrical Licensing Required	0	1	0	1
Flexible Chords where permitted	0	2	0	2
Unsafe Electrical Systems	0	3	0	3
Street Address Placement	0	0	0	0
Working Without Permit	2	6	1	9
Accessory Buildings	0	1	0	1
Refrig. / Containers Acces. To Child	0	4	1	5
Underground Storage Tank	0	1	0	1
Screening Required/ not up to code	2	0	0	2
Occupant responsible for extermination	1	0	0	1
Removal of combustibles	1	0	0	1
Exterior Structural Maintenance	2	0	0	2
Fire Protection	1	0	0	1
Kennels	1	0	0	1
Tires Illegal dumping	1	0	0	1
Barking Dogs as a public nuisance	1	0	0	1
Comercial Trash Containers	1	0	0	1
Commercial containers Garb inside	1	0	0	1
Illegal Dumping	1	10	0	11
TOTAL	124	133	153	
			Total	410

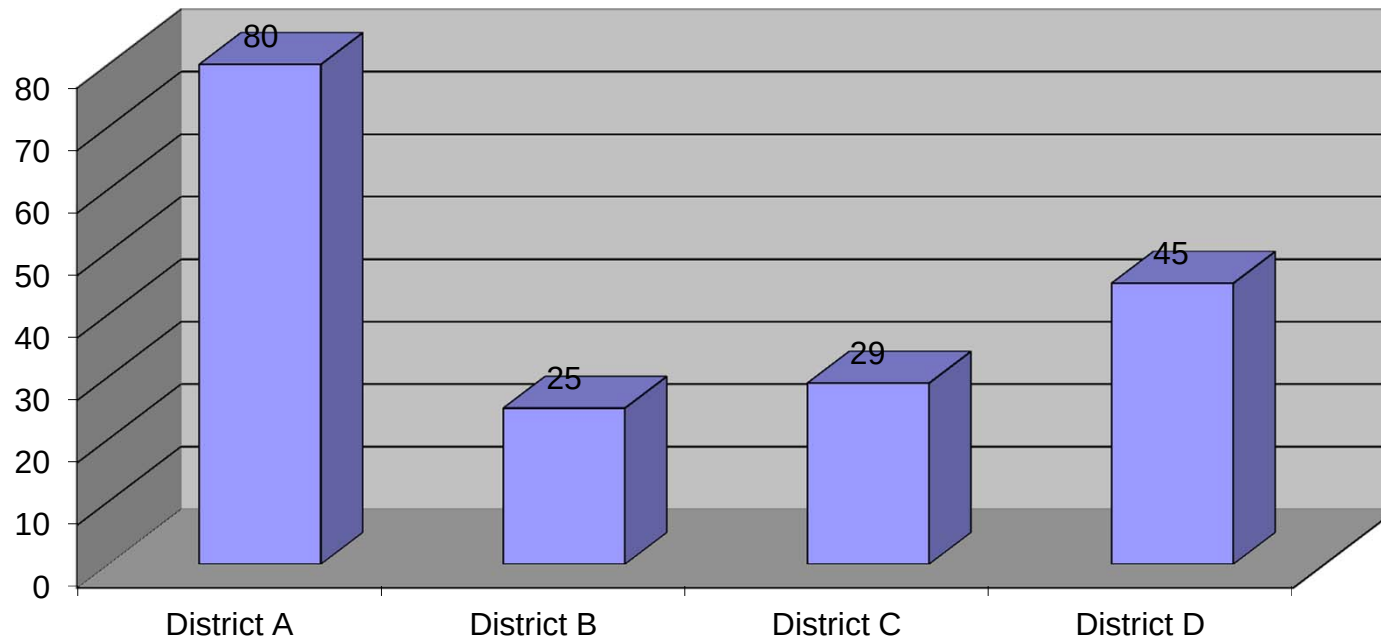
Building and Inspections
Monthly Report
Ana Tims

Nov 2011 - Feb 2012	February 2012	January 2012	Nov - Dec 2011	Fiscal Year To Date
Abatement of property				
Abated by Owner	52	70	44	166
Abated by City	1	11	5	17
Obtained bid to abate	18	15	10	43
Gave Initial Notice	71	85	12	168
Recheck / Follow Up	5	21	0	26
Retake & Request Pictures	0	5	0	5
30 day compliance extn	4	2	30	36
10 day Compliance extn	3	9	26	38
Sent to Court	9	18	0	27
Court Reset	2	2	0	4
Court No Show	1	3	0	4
Letter sent to City Attorney	1	1	0	2
TOTAL	167	242	127	
Total				536

Building and Inspections
Monthly Report
Ana Tims

Code Enforcement Inspections - Complaint Driven

	District A	District B	District C	District D
Property Inspections	80	25	29	45
			Total Insp	179



Building and Inspections
Monthly Report
Ana Tims

JUDICIAL DEPARTMENT

2012 STATE-WIDE WARRANT ROUND-UP

Roundup Results Spreadsheet

City/County: LA MARQUE MUNICIPAL
 Completed By: LISA SNIDER
 Telephone #: 409-938-9245

Send to: don.mckinley@ci.austin.tx.us

Tel (512) 974-4820

Fax (512) 974-4682

or email: roundup@ci.austin.tx.us

Total Number of notices sent
 (court, law enforcement, collection agency, etc.): 2767

Daily Activity Log		# Warrants Cleared	Total Gross Collections (Costs, Fees, Fines, Bonds)		Total Face Value of all Warrants Cleared
		(All Warrants/Not Just Those Arrested)	(All Monies paid including bond payments)		(Arrests + Paid + Cleared (Credits, Ext, etc.))
Mon.	2/13/2012	12	\$	4,351.00	\$ 4,709.00
	2/14/2012	31	\$	5,196.34	\$ 10,899.00
	2/15/2012	27	\$	5,552.50	\$ 9,143.00
	2/16/2012	24	\$	3,453.50	\$ 8,101.50
	2/17/2012	78	\$	3,782.00	\$ 22,146.50
	2/18/2012	0	\$	-	\$ -
	2/19/2012	0	\$	-	\$ -
Mon.	2/20/2012	136	\$	2,144.90	\$ 39,108.15
	2/21/2012	17	\$	2,847.65	\$ 5,668.65

2/22/2012	26	\$	1,837.00	\$	11,353.00
2/23/2012	15	\$	3,622.00	\$	4,962.00
2/24/2012	22	\$	6,272.00	\$	7,550.00
Sat. RU 2/25/2012	5	\$	1,408.00	\$	1,408.00
2/26/2012	0	\$	-	\$	-
2/27/2012	62	\$	5,117.00	\$	22,820.00
2/28/2012	23	\$	2,481.00	\$	7,965.00
2/29/2012	23	\$	1,435.00	\$	8,837.00
3/1/2012	30	\$	4,793.29	\$	7,357.29
3/2/2012	43	\$	2,381.50	\$	14,752.50
3/3/2012	13	\$	-	\$	3,950.00
Sun. 3/04/2012	24	\$	7,021.51	\$	7,970.51
TOTALS	611	\$	63,696.19	\$	198,701.10

**Judicial
Monthly Report
February 2012**

	Non- Parking	Traffic Parking	Traffic City Ordinance	Penal Code	Non- Traffic State Law	City Ordinance	Total this Month	Fiscal yr to date	Total Prior Month	Prior Fiscal yr to date
Total Cases Pending First of Month	4506	0	5	1589	1828	474	8402		8608	
Active Cases	963	0	2	287	314	260	1826		1872	
Inactive Cases	3543	0	3	1302	1514	214	6576		6736	
New Cases Filed	277	0	0	96	37	36	446	2357	505	5728
Cases Reactivated	35	0	0	20	9	18	82		38	
All Other Cases Added	0	0	0	0	0	0	0	0	0	
Total Cases on Docket	1275	0	2	403	360	314	2354		2415	
Dispositions Prior to Trial:										
Uncontested Dispositions	10	0	0	23	23	0	56	287	44	
Dismissed by Prosecution	21	0	0	19	34	0	74	88	3	
Dispositions at Trial:										
Convictions:										
Guilty Plea or Nolo Contendere	151	0	0	22	16	10	199	1031	186	3164
By the Court	101	0	0	19	3	9	132	480	95	
By the Jury	0	0	0	0	0	0	0	0	0	2
Acquittals:										
By the Court	0	0	0	0	0	0	0	0	0	3
By the Jury	0	0	0	0	0	0	0	0	0	0
Dismissed by Prosecution	77	0	1	6	9	8	101	244	42	
Compliance Dismissals:										
After Driver Safety Course	26						26	170	24	289
After Deferred Disposition	36	0	0	3	0	1	40	229	41	318
After Proof of Financial Responsibility	8						8	42	3	95

**Judicial
Monthly Report
February 2012**

	Non- Parking	Traffic Parking	Traffic City Ordinance	Penal Code	Non- Traffic State Law	City Ordinance	Total this Month	Fiscal yr to date	Total Prior Month	Prior Fiscal yr to date
All Other Transportation Code Dismissals	10	0	0	0	0	0	10	70	18	
All Other Dispositions	16	0	0	19	19	2	56	363	28	
Total Cases Disposed	456	0	1	111	104	30	702	2921	484	
Cases Placed on Inactive Status	126	0	0	82	30	26	264		286	
Total Cases Pending End of Month:	4327	0	4	1574	1761	480	8146		8629	
Active Cases	693	0	1	210	226	258	1388		1645	
Inactive Cases	3634	0	3	1364	1535	222	6758		6984	
Show Cause Hearings Held	23	0	0	6	1	15	45	346	101	
Cases Appealed:										
After Trial	0	0	0	0	0	0	0	7	0	35
Without Trial	0	0	0	0	0	0	0	1	0	
Courtesy Letters Mailed:							99	597	137	925
Courtesy Phone Calls Made:							56	440	109	

City Marshal Activity:	Total This Month	Fiscal Year to Date	Prior Fiscal Year to Date	Total Month Prior
Door Hangers Issued	22	168	0	38
Arrests	25	139	0	22
Collection Phone Calls	312	1611	0	312
Warrant Amounts Collected	61,305.12	151,865.48	0.00	26,262.13
Letters Mailed	25	122	0	11
Holds Placed	32	148	0	20
Non-Cash Credit Amount	46,380.50	283,262.00	0.00	59,793.00

**Judicial
Monthly Report
February 2012**

	<i>Total this Month</i>	<i>Fiscal yr to date</i>	<i>Total Prior Month</i>	<i>Prior Fiscal yr to date</i>
Juvenile/Minor Activity:				
Transportation Code Cases Filed	2	12	7	
Non-driving Alcoholic Beverage Code Cases Filed	0	1	0	
Driving Under Influence of Alcohol Cases Filed	0	0	0	
Drug Paraphernalia Cases Filed	0	3	0	
Tobacco Cases Filed	0	1	0	
Failure to Attend School Cases Filed	0	0	0	
Education Code Cases Filed (except fail to attend)	0	0	0	
Curfew Violation Cases Filed	1	9	0	
All Other Non-traffic Fine-only Cases Filed	2	22	9	
Additional Activity:				
Magistrate Warnings:				
Class C Misdemeanors	6	30	5	
Class A and B Misdemeanors	24	105	22	
Felonies	6	42	12	
Arrest Warrants Issued:				
Class C Misdemeanors	248	1408	264	3179
Capias Pro Fine Issued:				
Class C Misdemeanors	78	548	152	
Emergency Protection Orders Issued	2	11	1	34
Stolen Property Hearings Held	0	2	1	
Cases Satisfied by Jail Time Credit	127	729	147	
Fines, Court Costs and Other Amounts Collected:				
	<i>Total this Month</i>	<i>Fiscal yr to date</i>	<i>Total Prior Month</i>	<i>Prior Fiscal yr to date</i>
Kept by City	\$ 91,516.41	\$ 300,778.07	\$ 55,949.72	
Remitted to State	\$ 32,983.51	\$ 122,817.95	\$ 24,421.29	
Total	\$ 124,499.92	\$ 423,596.02	\$ 80,371.01	\$ 912,143.28

PUBLIC SAFETY

City of La Marque
Monthly and Year
To Date

Police Department
Month: February
Year: 2012

	CURRENT MONTH (Feb12)	CURRENT MO. PREV. YR. (Feb11)	PREV. MONTH (Jan12)	YR. TO DATE 2012	PREV. YR. TO DATE 2011
<u>PART I CRIMES:</u>					
Homicide	0	0	0	0	1
Rape	0	0	1	1	1
Robbery	1	0	1	2	1
Assault (*includes simple)	30	26	23	53	45
Burglary	16	11	15	31	28
Theft	23	38	25	48	79
M.V. Theft	0	0	1	1	5
<u>PART II CRIMES:</u>		192	195	378	370
<u>CALLS FOR SERVICE:</u>	1,737	1,848	1,785	3,522	4,111
<u>ACCIDENTS:</u>	23	21	12	35	41
Injuries	9	10	3	12	15
Non-injury	14	11	9	23	26
Fatalities	0	0	0	0	0
Alcohol Related	0	1	1	1	2
<u>ADULT ARRESTS:</u>	136	179	148	284	356
<u>JUVENILE DETENTIONS:</u>	2	0	1	3	8
<u>TRAFFIC STOPS:</u>	218	355	297	515	591
Citations	170	258	232	402	490
Violations	252	347	305	557	673
Warnings	8	14	2	10	20
<u>DISTURBANCES:</u>	99	82	103	202	156

This month, the Police Department arrested **52** people on municipal warrants, serving **144** warrants.

To date, the Police Department has arrested **110** people on municipal warrants, serving **274** warrants.

LA MARQUE POLICE DEPARTMENT

USE OF FORCE / DEFENSIVE ACTION REPORT

Incident / Case No.: 12-000194

Date of Incident: 02/08/2012 Time: 2130

Location: 519 Prune, La Marque, TX 77568

REPORTING OFFICER: F. Gandy  ID#: 37

Assignment: Patrolman

TYPE OF DEFENSIVE ACTION:

☐ Physical Control Techniques / "Hard Hands" ☐ Baton ☐ OC Spray ☐ Firearm Discharge
☒ TASER ☐ Other (describe): _____

PERSON(S) ARRESTED:

Name: [REDACTED] (released to MHMR) DOB: 01/08/1983
Name: _____ DOB: _____
Name: _____ DOB: _____

WITNESSES:

Name: [REDACTED] Address: 519 Prune, La Marque, TX 77568
Name: Deputy Cook (GCSO) Address: _____
Name: Sgt. Cravens / Ofc. King Address: (LMPD)

*Note: Defensive Action Report:

1. Will be completed by each Officer involved in a reportable incident (as per Written Directive 700-2).
2. Will be stapled (as cover pages) to a copy of the applicable Incident Report.
3. Will be reviewed and signed by the Officer's immediate Shift Leader: prior to departing from shift duty (see Written Directive 700-2 for exceptions). Completed packet will be hand carried by Shift Leader to reporting Officer's applicable Division Commander. If incident is serious/sensitive Shift Leader will immediately provide oral/telephonic briefing to appropriate Division Commander and Chief of Police.
4. Applicable Division Commander will review packet then hand deliver packet to the Office of Professional Responsibility (OPR) Manager.
5. OPR Manager will review packet and hand deliver packet to the Chief of Police.

SUMMARY OF INCIDENT (Specifically address the type of defensive action used):

Subject was reported as a suicidal subject. Officers and GCSO MHMR responded to assess the situation. Subject was combative and aggressive towards officers. Subject was refusing to comply with verbal commands and officers were unable to utilize any hands on techniques. In the interest of officer and the subject's safety, and to prevent any injuries to the subject, a taser was utilized. The taser was deployed to the subjects back, gaining immediate compliance. Subject was restrained in handcuffs. Subject was released to MHMR for transport to a hospital for psychiatric care.

Explain why it was necessary to use defensive action specified above:

Subject was aggressive and combative towards officers. Subject refused verbal commands and officers were unable to effectively engage in hands on techniques without risking injury. Subject was a danger to himself and others with his mental state.

Explain why defensive action used was reasonable:

The use of the taser allowed the subject to safely be taken into custody, resulting in no injury to the subject.

Explain consequences (injury, damage, etc.) that resulted from the use of defensive action:

No injury or damage to any persons or property.

Post Care Action Performed by Reporting Officer:

Subject was released to GCSO MHMR for transport to a hospital for psychiatric treatment.

If subject was not injured, document observations and/or any statements made by suspect, that indicate subject was not injured:

The subject reported no injuries, and did not require or request medical treatment. Subject was calm and collected following the use of force, reporting no pain. Subject was visually checked by responding officers and GCSO MHMR, and no visible sign of injury was observed.

(Attach copies of Incident Reports, Arrest Reports, statements, and other documentation as necessary)

Chain of Command Review

1. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Shift Leader's Name Sgt. M. Cravens Signature Sgt. M. Cravens Date 2-9-12

Comments: Taser Deployment authorized to prevent serious injury to responding officers or subject.

2. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Applicable Division Cdr's Name LT. G. Guehrst Signature [Signature] Date 02/17/2012

Comments:

3. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

OPR Name C. Waggoner Signature [Signature] Date 03/06/12 Manager's

Comments:

Comments:

Review by Chief of Police

Actions taken by Officers appear to be signed w/ WD Signature

Chief of Police Name [Signature] Signature [Signature] Date 3-6-12

LA MARQUE POLICE DEPARTMENT

USE OF FORCE / DEFENSIVE ACTION REPORT

Incident / Case No.: 12-000254

Date of Incident: 02/18/2012 Time: 0330hr

Location: Shell Gas Station, 1001 FM1764, La Marque, Texas 77568

REPORTING OFFICER: C. Kelemen ID#: 547

Assignment: Patrol/ Step Up

TYPE OF DEFENSIVE ACTION:

☒ Physical Control Techniques / "Hard Hands" ☐ Baton ☐ OC Spray ☐ Firearm Discharge
☐ TASER ☐ Other (describe): _____

PERSON(S) ARRESTED:

Name: [REDACTED] DOB: 03/24/1971
Name: _____ DOB: _____
Name: _____ DOB: _____

WITNESSES:

Name: Kremer, Merynda Address: 16423 Dunmore Dr, Houston, Texas 77059
Name: _____ Address: _____
Name: _____ Address: _____

*Note: Defensive Action Report:

1. Will be completed by each Officer involved in a reportable incident (as per Written Directive 700-2).
2. Will be stapled (as cover pages) to a copy of the applicable Incident Report.
3. Will be reviewed and signed by the Officer's immediate Shift Leader: prior to departing from shift duty (see Written Directive 700-2 for exceptions). Completed packet will be hand carried by Shift Leader to reporting Officer's applicable Division Commander. If incident is serious/sensitive Shift Leader will immediately provide oral/telephonic briefing to appropriate Division Commander and Chief of Police.
4. Applicable Division Commander will review packet then hand deliver packet to the Office of Professional Responsibility (OPR) Manager.
5. OPR Manager will review packet and hand deliver packet to the Chief of Police.

SUMMARY OF INCIDENT (Specifically address the type of defensive action used):

This officer was the shifts step up supervisor on this night and was responding to a disturbance call at the Shell Station on FM1764. This officer arrived to see Officer F. Gandy attempting to place a subject into custody. This officer further observed that the subject was actively resisting Officer Gandy. This officer assisted Officer Gandy with securing the subject into hand restraints. The subject was given several verbal commands during the course of the incident and this officer requested that Officer Gandy drive stun [REDACTED] with a La Marque Police Department issued Taser. Once the drive stun was utilized the the subject complied and was taken into custody. The subject was originally resisting arrest by pulling away from officer and placing his arms underneath his body.

Explain why it was necessary to use defensive action specified above:
Officer Gandy was attempting to lawfully arrest the subject who actively resisted.

Explain why defensive action used was reasonable:

The defensive action was the minimum amount of force necessary to take the subject into custody based on his level of resistance.

Explain consequences (injury, damage, etc.) that resulted from the use of defensive action:

The subject was not injured from the incident, and no property damaged resulted.

Post Care Action Performed by Reporting Officer:

The subject was checked by La Marque EMS while on scene and was found to have no injuries from the incident.

If subject was not injured, document observations and/or any statements made by suspect, that indicate subject was not injured:

The subject was checked and cleared medically by La Marque EMS immediately following the incident. Subject was mobile and still trying to slip his restraints in the rear of the patrol car after the incident. No injuries were reported by the subject as a result of the incident.

(Attach copies of Incident Reports, Arrest Reports, statements, and other documentation as necessary)

Chain of Command Review

1. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Shift Leader's Name M. Cravens Signature Sgt. M. Cravens Date 2-23-12

Comments: Off. C. Kelemen was S/U supervisor when incident occurred.

2. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Applicable Division Cdr's Name LT. G. Gilchrist Signature [Signature] Date 02/23/2012

Comments:

3. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

OPR Name C. Waggoner Signature [Signature] Date 03/06/12 Manager's

Comments:

Review by Chief of Police

Comments:

Chief of Police Name Dan Hall / Argo Signature [Signature] Date 3-6-12

Actions taken by Officers appear to be aligned w/ W.D. System

LA MARQUE POLICE DEPARTMENT

USE OF FORCE / DEFENSIVE ACTION REPORT

Incident / Case No.: 12-000254

Date of Incident: 02/18/2012 Time: 0330hr

Location: Shell gas station, 1001 FM 1764, La Marque, TX 77568

REPORTING OFFICER: F. Gandy ID#: 37

Assignment: Patrol

TYPE OF DEFENSIVE ACTION:

☒ Physical Control Techniques / "Hard Hands" ☐ Baton ☐ OC Spray ☐ Firearm Discharge
☒ TASER ☐ Other (describe): _____

PERSON(S) ARRESTED:

Name: [REDACTED] DOB: 03/24/1971
Name: _____ DOB: _____
Name: _____ DOB: _____

WITNESSES:

Name: Kremer, Merynda Address: 16423 Dunmore Dr, Houston, TX 77059
Name: _____ Address: _____
Name: _____ Address: _____

*Note: Defensive Action Report:

1. Will be completed by each Officer involved in a reportable incident (as per Written Directive 700-2).
2. Will be stapled (as cover pages) to a copy of the applicable Incident Report.
3. Will be reviewed and signed by the Officer's immediate Shift Leader: prior to departing from shift duty (see Written Directive 700-2 for exceptions). Completed packet will be hand carried by Shift Leader to reporting Officer's applicable Division Commander. If incident is serious/sensitive Shift Leader will immediately provide oral/telephonic briefing to appropriate Division Commander and Chief of Police.
4. Applicable Division Commander will review packet then hand deliver packet to the Office of Professional Responsibility (OPR) Manager.
5. OPR Manager will review packet and hand deliver packet to the Chief of Police.

SUMMARY OF INCIDENT (Specifically address the type of defensive action used):

This officer was attempting to effect an arrest and subject was advised to place his hands behind his back. Subject refused verbal commands. Officer attempted to grasp subjects wrist to detain in handcuffs. Subject pulled from officer and turned aggressively. Officers attempted to secure the subject against a vehicle, but subject turned and pulled away. Officers placed subject on ground, but were still unable to gain control of his hands. Subject was repeatedly given verbal orders to comply, but refused. Subject was warned of the use of a Taser, but subject continued to actively resist. This officer applied a two second cycle of the Taser drive stun feature to subjects back. Subject became compliant and was taken into custody.

Explain why it was necessary to use defensive action specified above:

Officer was attempting to lawfully arrest the subject who actively resisted. Officers used the minimum amount of force as possible.

Explain why defensive action used was reasonable:

The defensive action was the minimum amount of force necessary to take the subject into custody based on his level of resistance and combativeness towards officers.

Explain consequences (injury, damage, etc.) that resulted from the use of defensive action:

Subject was not injured from the incident, and no property damage resulted.

Post Care Action Performed by Reporting Officer:

Subject was checked and cleared medically by La Marque EMS. Subject was transported to the La Marque Police Department and safely secured in a cell.

If subject was not injured, document observations and/or any statements made by suspect, that indicate subject was not injured:

Subject was checked and cleared medically by La Marque EMS immediately following the incident. Subject was mobile and not reporting any injuries as a result of the incident.

(Attach copies of Incident Reports, Arrest Reports, statements, and other documentation as necessary)

Chain of Command Review

1. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Shift Leader's Name Chris Kelemen⁵⁴⁷ Signature [Signature] Date 7-18-12

Comments:

2. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

Applicable Division Cdr's Name LT. G. Gilchrist Signature [Signature] Date 02/22/2012

Comments:

3. WAS REPORTED USE OF DEFENSIVE ACTION JUSTIFIED? ☒ YES ☐ NO

OPR Name C. Waggoner Signature [Signature] Date 03/06/12 Manager's

Comments:

Review by Chief of Police

Comments:

Actions taken by officers appear to be aligned w/ W.D. [Signature]
Chief of Police Name [Signature] Signature [Signature] Date 3-6-12

City of La Marque

Fire Department
Month: February
Year: 2012

Current Month February 2012	Current Mo. Previous Year (February 2011)	Prev. Month (January 2012)	Fiscal Yr to Date 2011-2012	Fiscal Prev. Yr. to Date 2010-2011
<u>Fires</u>				
4	2	4	29	27
<u>Overpressures, Explosions</u>				
0	0	0	3	2
<u>Rescue & EMS</u>				
127	86	113	497	557
<u>HAZMAT</u>				
6	1	6	20	9
<u>Good Intent</u>				
8	9	6	48	55
<u>False Alarm</u>				
3	5	11	26	35

CALL STATISTICS FY 2010- 2011
La Marque Fire/Rescue

PATIENT DISPOSITION BY MONTH													
Disposition		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Encounters		139	139	132	116	102	128	109	137	125	108	109	122
Transports		98	94	90	94	80	94	84	104	97	93	77	90
Aeromedical		0	0	0	0	0	0	0	0	0	0	0	0
Dead On Scene		1	0	1	1	1	0	0	2	0	1	3	2
Refusals		40	45	41	21	21	34	25	31	28	13	29	30
RESPONSE TIMES PER MONTH (minutes)													
Unit Status		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Dispatch - Location		5	5	5	4	5	4	5	4	4	5	5	5
Location - To Hospital		16	17	19	16	15	15	16	15	15	15	16	16
To Hospital - At Hospital		11	11	12	10	10	9	10	10	9	9	11	9
At Hospital - In Service		25	29	30	27	29	27	30	27	28	29	31	25
Location - At Hospital		26	26	29	24	25	25	25	24	23	23	25	22
Dispatch - At Hospital		31	31	35	29	30	30	29	29	28	29	31	28
Dispatch - In Service		48	51	53	52	52	48	53	48	52	55	53	47

CALL STATISTICS FY 2011- 2012
La Marque Fire/Rescue

PATIENT DISPOSITION BY MONTH												
Disposition	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Encounters	150	102	104	110	120							
Transports	113	78	85	93	104							
Aeromedical	0	0	0	0	0							
Dead On Scene	0	1	1	0	1							
Refusals	37	23	18	17	15							

RESPONSE TIMES PER MONTH (minutes)												
Unit Status	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Dispatch - Location	5	5	5	5	7							
Location - To Hospital	17	16	15	15	15							
To Hospital - At Hospital	11	8	9	9	11							
At Hospital - In Service	28	25	32	31	29							
Location - At Hospital	26	23	24	24	25							
Dispatch - At Hospital	31	28	30	30	31							
Dispatch - In Service	54	49	57	57	58							

LIBRARY DEPARTMENT

LA MARQUE PUBLIC LIBRARY	02/2012	01/2012	02/2011	01/2011	This YTD	Last YTD
SERVICES						
Books Loaned	986	958	735	810	6287	4644
Audio Books Loaned	18	13	30	27	75	133
Music CDs/Cassettes Loaned	16	5	29	15	38	56
Videos/DVDs Loaned	566	564	419	470	2448	2300
Other Materials Loaned	0	0	0	1	0	5
Total Circulation Transactions	1586	1530	1,215	1323	7375	7138
Juvenile Transactions (a part of total circulation transactions)	523	279	n/a	n/a	1830	n/a
Materials Used in House	462	504	465	347	2126	1982
New Patrons Registered	63	52	41	72	243	301
Reference Transactions	347	284	392	329	2670	1728
Adult Programs	0	0	0	1	0	22
Attendees	0	0	0	5	0	92
Children's Programs	8	0	7	0	37	36
Attendees	267	0	203	0	881	1211
Number of Visits (Door Count)	4079	3708	3545	3926	19838	18199
Volunteer Hours	14.5	10	65.5	69	122.5	275.75
<u>INTERNET AND ELECTRONIC SERVICES</u>						
Internet Users	611	723	856	1064	3427	4672
Internet Hours	644	888	1085	1263	4059	6002

LA MARQUE PUBLIC LIBRARY	02/2012	01/2012	02/2011	01/2011	This YTD	Last YTD
<u>RESOURCE SHARING</u>						
<u>ILL</u> borrowed from other libraries outside of Galveston Co.	8	5	9	8	55	74
<u>ISL</u> borrowed from other public libraries in Galveston Co.	0	0	0	0	0	0
<u>Total ILL & ISL borrowed</u> from other libraries	8	5	9	8	55	74
<u>Total ILL & ISL requests loaned</u> to libraries for our users	0	0	0	0	0	0

PUBLIC WORKS DEPARTMENT

PUBLIC WORKS ADMINISTRATION
ACTIVITY REPORT

Cyndi Efird

2012/ February	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
Calls / Customers						
Water Leaks	2	6	4	9	2	23
Sewer Stops	14	14	25	14	13	80
Leak at Meter	0	1	0	1	2	4
Low Pressure / No Water	1	5	10	2	20	38
Dress-Ups	0	1	0	0	0	1
Billing Department	13	20	11	26	20	90
Blue Cart / Trash Pick Up	0	5	3	2	3	13
Wednesday Pick Up	1	2	1	1	1	6
Bulk Pick Up	0	2	0	0	0	2
Co-Compliance	2	0	0	0	1	3
Pot Holes	0	0	1	0	0	1
Street Repair	2	0	0	0	1	3
Driveway Repair	2	1	0	0	0	3
Dirt Request	0	0	0	0	0	0
Culverts	0	0	1	1	1	3
Mowers / Mowing	0	1	0	0	0	1
Street Signs	0	0	0	0	0	0
Traffic Lights	0	1	0	0	0	1
Street Light Outage	0	1	0	1	2	4
Street Light Request	0	0	0	1	0	1
Director	6	2	6	4	8	26
Assistant Director	1	0	0	1	0	2
PW/Utility Dept Supervisors	9	15	10	8	8	50
City Manager	0	0	0	0	0	0
City Hall Admin Assist.	0	0	0	0	0	0
Human Resource	0	2	0	0	0	2

1 of 2

PUBLIC WORKS ADMINISTRATION
ACTIVITY REPORT
Cyndi Efird

2012/ February	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
Calls / Customers						
City Clerk	0	0	0	0	0	0
Inspections	3	1	0	1	0	5
Animal Control	1	0	0	1	2	4
Mosquito Spray	0	0	0	0	2	2
Locates	0	0	1	4	0	5
LM's	1	0	0	0	0	1
Customer at Window	6	3	2	5	6	22
Recycling	0	0	0	1	1	2
Community Service	0	0	1	2	1	4
Gas Company	0	1	0	1	0	2
Miscellaneous Calls	1	3	1	8	17	30
					TOTAL	434

2/2/12 - Attended Cemetery Board Meeting
 2/16/2012 - Attended Parks Board Meeting
 2/21/12 - Submitted Cemetery Board Minutes
 2/21/12 - Submitted Park Board Minutes

CITY OF LA MARQUE
PARKS DEPARTMENT MONTHLY REPORT

Dwanna Jones

2012 / February

SCHEDULED WORK

COMPLETED WORK

PARK MAINTENANCE	WK 1	WK 2	WK 3	WK 4	WK 5	DESCRIPTION OF WORK
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	
Bayou City Park	4	4	4	4	4	Weed-eated & emptied trash
Bird Sanctuary	4	4	4	4	12	Mowed & Weed-eated
Highland Bayou Park	4	4	28	32	4	Mowed, Weed-eated & emptied trash
Jaycee Park	4	12	4	4	4	Mowed, Weed-eated & emptied trash
Lagana Park	4	16	4	4	4	Mowed, Weed-eated & emptied trash
Martin Luther King Jr. Park	16	4	4	4	4	Mowed, Weed-eated & emptied trash
Mahan Park	4	4	28	28	4	Mowed, Weed-eated & emptied trash
Walter Feigle Park	4	4	4	4	4	Weed-eated
Westlawn Park	4	16	4	4	4	Mowed, Weed-eated & emptied trash
GENERAL MAINTENANCE						DESCRIPTION OF WORK
City Hall	4	12	4	4	4	Trimmed hedges
Library	4	16	4	4	12	Mowed & Weed-eated
Police Department	4	4	16	4	12	Mowed & Weed-eated
La Marque Cemetery	4	4	4	4	24	Weed-eated & emptied trash
La Marque Sign @ Hwy 3	4	16	4	4	12	Mowed & Weed-eated
Kirsten esplanade	0	0	0	0	4	Mowed & Weed-eated
LM property / Aid & Guidance	0	0	0	0	2	Mowed & Weed-eated
Bus Stops	2	2	2	2	2	Emptied trash cans
WEEKEND DUTIES						DESCRIPTION OF WORK
Highland Bayou Park	0	0	0	0	0	Pavilion rental clean-up
Weekly Total Hours	70	122	118	110	116	
Comments:						
1 of 1						

RIGHT-OF-WAY & ROAD MAINTENANCE DIVISION
ACTIVITY REPORT
DWANNA JONES

2012 / February

	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
STREETS						
Utility Patch	0	0	0	0	0	0
Man Hours	0	0	0	0	0	0
Culverts-Linear Feet Set	0	24	0	16	0	40
Man Hours	0	12	0	12	0	24
Trimming Tree Limbs-Man Hours	0	0	0	8	0	8
Driveway Tie In-Man Hours	0	0	0	0	0	0
Traffic Sign Repair - Man Hours	8	24	0	16	8	56
Potholes Filled	29	223	102	105	0	459
Man Hours	16	64	16	32	0	128
Repaired Driveways	0	1	0	1	1	3
Man Hours	0	12	0	12	8	32
Grading Ditch - Linear Feet Cut	97	24	0	1064	287	1472
Man Hours	24	9	0	72	12	117
Mowing Man Hours	0	16	0	96	80	192
Sweeping - Man Hours	8	0	40	8	32	88
Grate Repair - Man Hours	0	0	0	16	0	16
Weed-eat - Man Hours	0	48	24	16	0	88
Dress-up - Man Hours	0	0	0	0	0	0
Check Drains & Ditches	0	16	50	8	31	105
Man Hours	0	24	53	8	16	101

RIGHT-OF-WAY & ROAD MAINTENANCE DIVISION
ACTIVITY REPORT
DWANNA JONES

2012 / February

	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
BFI						
Brush Letters Sent Out	0	4	13	0	0	17
Special Pickup's	0	0	0	0	0	0
Man Hours	0	4	4	0	0	8

Safety Meetings	0	0	0	1	0	1
-----------------	---	---	---	---	---	---

SPECIAL PROJECTS

Community Service workers picked up trash on Bayou, Main and Cedar
Bladed street going into High Bayou Park and the road in back
Repaired shoulder of the road on 4th
Installed drain at the Aid & Guidance Center

WATER & SEWER MAINTENANCE DIVISION
ACTIVITY REPORT
TONY MCCOY

2012 / February	WEEK 1 2/1-2/4	WEEK 2 2/5-2/11	WEEK 3 2/12-2/18	WEEK 4 2/19-2/25	WEEK 5 2/26-2/29	MONTHLY TOTALS
WATER						
Water leaks repaired	3	0	5	5	3	16
Residential Water Taps	0	0	0	0	0	0
Commercial Water Taps	0	0	0	0	0	0
Remote Read Meters Installed	0	0	0	0	0	0
Low Pressure Problems City Side	0	0	0	1	1	2
Low Pressure Problems Customer Side	0	3	1	5	1	10
Meter Boxes & Lids Replaced	0	0	0	0	0	0
Water Turned On/Off for Citizens	0	0	0	0	0	0
Rusty Water Inquires	0	0	0	0	0	0
Bad Taste/Smelly Water Inquiries	0	0	0	0	0	0
Fire Hydrants						
Fire Hydrants Installed	0	0	0	0	0	0
Fire Hydrants Repaired	0	0	0	0	0	0
Fire Hydrants Serviced	0	0	0	0	0	0
SPECIAL PROJECTS						
02/09/12 - Installed 12in valve at Magnolia Well site						

WATER & SEWER MAINTENANCE DIVISION
ACTIVITY REPORT
TONY MCCOY

2012 / February	WEEK 1 2/1-2/4	WEEK 2 2/5-2/11	WEEK 3 2/12-2/18	WEEK 4 2/19-2/25	WEEK 5 2/26-2/29	MONTHLY TOTALS
SEWER						
Sewer Stoppages Resolved	4	19	24	22	15	84
Sewer Lines Repaired	1	2	1	1	2	7
Residential Sewer Taps	0	0	0	0	0	0
Commercial Sewer Taps	0	0	0	0	0	0
Clean-Out Tops Replaced	0	0	0	0	0	0
Clean-Outs Installed	0	0	1	0	0	1
Sewer Lines Installed	0	0	0	0	0	0
Manhole Repaired	0	0	0	0	0	0
Manhole Installed	0	0	0	0	0	0
Lines Locate, Water & Sewer	0	0	0	1	2	3
Miscellaneous						
Dress-Ups	6	4	1	0	6	17
Saw Cuts	0	0	0	0	0	0
Valves Replaced	0	1	0	0	0	1
				TOTAL WORK ORDERS		141
Projects by LF						
Feet of Water Mains Installed	0	0	0	0	0	0
Sewer Lines Cleaned (LF)	0	0	0	620	650	1270
Feet of Sewer Line T.V.'d (LF)	12	0	40	0	0	52
Culverts Cleaned (LF)	0	100	0	0	1300	1400
Feet of Sewer Main Replaced	0	0	0	0	0	0
Smoke Testing Done (LF)	0	0	0	0	0	0

WATER & WASTE WATER ACTIVITY REPORT

Jason Hubbell

2012 / February	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
Utility 24	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
WWTP						
Rain Fall	1.5	0.7	2.8	0	0	5
Flow Total MG/D	9.127	16.812	24.88	15.269	6.48	72.568
Lb. oc CL2 used	540	1006	1240	1065	485	4336
Lb. of SO2 used	322	579	825	571	242	2539
Plant Man Hours	51	85	85	85	50	356
Bio Solids Removed/Tons	0	0	0	0	0	0
Raw TSS Avg. mg/1						103.3
Raw BOD tes/Avg.						113.6
Raw Total Cu Avg.mg/l						0.0182
Raw NH3-3 Avg. mg/l						17.533
Effluent CBOD test/Avg.						2
Effluent TSS Avg. mg/1						2.1
Effluent NH-3N Avg.mg/L						1.107
Raw Total CU mg/L						0.0046
Route Wells & Lift Stations						
Distribution System-Total Surface Water MG/D	8.65	15.36	15.867	15.465	8.725	64.067
Total Well Water MGD	0	0	0.001	0.047	0.275	0.323
Lb. of CL2 used	17	24	42	31	18	132
Lb. of Ammonia Used	5	6	12	8	5	36
Total # of CL2 Residual Samples	44	77	77	77	44	319
Number of Water Bacteriology Samples	0	0	15	0	0	15

1 of 2

WATER & WASTE WATER
ACTIVITY REPORT
Jason Hubbell

2012 / February	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
Utility 24	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
Collection System - Total Lift Station Pump Hours	439.9	840.8	1003.7	744.6	331.3	3360.3
Man Hours Wells Station	18	32	32	32	18	132
Safety Meetings	1	0	0	0	0	1
Dead ends Flushed	0	0	0	0	0	0
Fire Hydrants Painted	0	0	0	0	0	0

CL2 = CHLORINE

MGD = MILLION GALLON DAY

SO2 = SULFUR DIOXIDE

BOD = BIOCHEMICAL OXYGEN DEMAND

CU = COPPER

NH-3N = AMMONIA

UTILITY 26 MAINTENANCE DIVISION
WATER WELLS, LIFT STATIONS & WASTE WATER TREATMENT PLANT
ACTIVITY REPORT
Steve Gassaway

2012 / February

	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	MONTHLY
	2/1-2/4	2/5-2/11	2/12-2/18	2/19-2/25	2/26-2/29	TOTALS
PREVENTATIVE MAINTENANCE						
Lift Pumps	2	2	6	0	2	12
Valves	0	4	6	0	0	10
Electric Motors	0	0	0	0	2	2
Electric Panels	4	0	7	1	0	12
Vent Fans	0	0	0	0	0	0
Blowers	2	0	0	0	0	2
Belts	9	4	6	8	3	30
Floats	0	15	34	18	8	75
Well Sites	0	1	0	0	0	1
Clean Up or Remove Grease @ Well Sites	0	0	0	0	0	0
Troubleshoot Problems	5	4	5	12	2	28
Corrective Maintenance						
Replaced Belts	0	4	0	0	0	4
Replaced Bearings	1	0	0	1	0	2
Replaced Motors	0	0	0	0	0	0
Replaced Seals	12	0	2	3	0	17
Replaced Pumps	0	0	0	1	0	1
Replace wear Parts	20	0	0	2	0	22
Replace Valves	0	0	0	2	0	2
Replace Floats	2	0	0	2	0	4
Replace Gauges	0	0	0	1	0	1
Replace Electrical Parts	4	0	7	1	0	12
Change Oil in Pumps	3	4	14	1	0	22
Degrease & Wash Down Lift Stations	2	2	5	6	0	15
					TOTAL	274

SPECIAL PROJECTS

FIRE MARSHAL

Fire Marshal Monthly Activity Report February 2012

SECTION I- CODE ENFORCEMENT	Current Month	Prior Month	Year to Date
Litter/Trash/Dumping	0	0	0
Junk Vehicle	0	0	0
Grass/Weeds	1	2	6
Graffiti	0	0	4
Citizens Complaints Other	8	16	57
SECTION II- FIRE INVESTIGATIONS		Prior Month	Year to Date
Cases Assigned to Investigate	1	1	8
Cases Open	2	1	5
Cases Closed	0	0	0
Arrests Made	0	0	1
Illegal Burns	1	3	10
SECTION III- FIRE INSPECTIONS	Current Month	Prior Month	Year to Date
Fire Inspections Conducted	0	5	63
# of Violations	0	12	130
Re-Inspections	0	3	25
# of Violations	0	3	71
# of Inspections Not Compliant in 30 Days	0	0	4
Misc Inspections	0	2	7
Burn Permits	0	0	0
Construction Inspections	0	1	6
Plan Reviews	0	1	5
SECTION IV- PUBLIC EDUCATION	Current Month	Prior Month	Year to Date
Fire Safety Classes	2	0	4
CPR Classes	0	0	0
NIMS Training Classes	0	0	0
Other Training Classes	0	0	0
Speaking Engagements	1	0	4
# of Adults	42	0	80

Fire Marshal Monthly Activity Report February 2012

# of Children	0	0	0
Car Seat Installations	2	2	7
Smoke Detector Installations	2	2	11
Weather Radio Installations	4	2	13
SECTION V- MEETINGS	Current Month	Prior Month	Year to Date
# of Meetings Attended	20	21	70
# of Hours Spent in Meetings	26	31	126
SECTION VI- SPECIAL PROJECTS	Current Month	Prior Month	Year to Date
Currently working on multiple grant projects and working on FEMA audit for existing projects.			

Please note that year to date includes November 2011 to present.

EDC DEPARTMENT

City of La Marque
Monthly and Year
To Date

EDC
Month: February
Year: 2012

	CURRENT MONTH	CURRENT MO. PREV. YR.	PREV. MONTH	YR. TO DATE	PREV. YR. TO DATE
<u>Registered ShopsQA</u> <u>Businesses</u>	0	None	8	8	None

***Alex attended a webinar sponsored by the host to review updates to the website and discuss strategies to improve business usage.**

FINANCIALS

Cash, Checks, and Credit Card Deposits
for All FUNDS
The month ending February 29, 2012

	Total										
	3-Feb	3-Feb	10-Feb	10-Feb	17-Feb	17-Feb	24-Feb	24-Feb	29-Feb	29-Feb	Collections
	Cash & Checks	Credit Cards	Cash & Checks	Credit Cards	Cash & Checks	Credit Cards	Cash & Checks	Credit Cards	Cash & Checks	Credit Cards	
Building & Inspections	\$ 2,314.75		1,468.65	221.01	3,342.34	63.86	2,330.00	143.84	2,541.45	2,727.79	\$ 15,153.69
Municipal Court	\$ 7,444.00	\$ 2,931.75	15,044.00	9,180.48	21,363.50	14,191.34	21,679.00	13,202.64	15,604.00	3,921.21	\$ 124,561.92
Utility Accounting	\$ 34,493.24	\$ 5,180.31	127,360.55	14,018.94	92,414.73	10,771.59	113,742.67	8,386.11	61,053.60	7,959.50	\$ 475,381.24
Library	\$ 42.90		98.65		87.79		134.87		-		\$ 364.21
Police	\$ 886.00		-		-		-		-		\$ 886.00
Fire/EMS	\$ -		5,536.50		15,481.11		-		-		\$ 21,017.61
Medicare - Part B (Fire/EMS)											\$ -
Finance & Misc Revenues	\$ 5,741.10		2,341.55		25,786.57		2,157.75		274.46		\$ 36,301.43
Direct Deposits (State, Federal, & Franchise)				2,578.28							\$ 2,578.28
Sales Tax - State (City 75%, EDC 25%)				334,573.90							\$ 334,573.90
Galveston County Tax Office (City 79%, Debt 21%)		\$ 146,856.01		104,292.43		312,871.87		139,493.04		76,503.67	\$ 780,017.02
	\$ 50,921.99	\$ 154,968.07	\$ 151,849.90	\$ 464,865.04	\$ 158,476.04	\$ 337,898.66	\$ 140,044.29	\$ 161,225.63	\$ 79,473.51	\$ 91,112.17	\$ 1,790,835.30

City of La Marque
Budget to Actual
as of
February 29, 2012

<u>General Fund</u>	<u>Budget</u>	<u>YTD as of 2/29/2012</u>	<u>Benchmark 42.00%</u>	<u>YTD as of 2/28/2011</u>
Revenues:				
Property Taxes	2,503,200	2,204,461	88.07%	2,203,805
Sales Tax (60 day lapse in receipt)	2,395,000	612,604	25.58%	595,875
Local Tax/Franchises (Quarterly)	1,011,250	221,866	21.94%	215,381
License/Permits	223,400	65,228	29.20%	60,231
Coin Operated Machine License	155,500	153,150	98.49%	141,390
Municipal Fines & Fees	733,950	282,729	38.52%	237,195
Library Fines & Fees	4,500	1,209	26.86%	1,950
Sanitation	1,647,050	563,640	34.22%	647,487
Fire /Code Plan Review	50,500	24,482	48.48%	20,705
EMS Ambulance Fees	395,000	162,550	41.15%	168,528
Miscellaneous Fees	274,054	35,903	13.10%	14,063
Transfers In	700,175	333,396	47.62%	186,056
General Fund - Total Revenues	<u>\$10,093,579</u>	<u>4,661,217</u>	46.18%	<u>4,492,666</u>
* Note = Sales Tax 60 days until receipted from State, Franchise Fees on Quarterly Basis.				
Expenditures:				
General Government Division				
City Manager	347,618	135,752	39.05%	105,520
CM - General Administration	114,675	36,266	31.63%	51,366
CM - City Council	91,478	6,861	7.50%	13,727
City Council	10,000	3,710	37.10%	2,108
Finance	398,443	140,397	35.24%	140,797
Finance - Galv CO Appraisal Fees		3,988		
Inspection	303,608	78,369	25.81%	64,747
Judicial	329,666	109,365	33.17%	104,747
City Clerk	113,890	52,023	45.68%	34,900
Library	295,113	105,986	35.91%	113,137
Info Technology	102,758	36,414	35.44%	61,847
Fund Expenditures	180,350	56,592	31.38%	60,742
Subtotal of GGD Expenditures	<u>2,287,599</u>	<u>765,722</u>	33.47%	<u>753,638</u>

City of La Marque
Budget to Actual
as of
February 29, 2012

	<u>Budget</u>	<u>YTD as of 2/29/2012</u>	<u>Benchmark 42.00%</u>	<u>YTD as of 2/28/2011</u>
Public Safety Division				
Police	3,112,823	1,226,608	39.41%	1,297,311
Fire/EMS	1,815,781	781,794	43.06%	755,005
Emergency Mgmt	18,100	838	4.63%	14,393
Animal Control	73,450	16,957	23.09%	15,613
Fire Marshal	76,017	25,198	33.15%	35,985
Subtotal of PSD Expenditures	5,096,171	2,051,395	40.25%	2,118,308
Public Works Division				
Parks	202,011	51,169	25.33%	45,592
Shop/Service	176,113	59,745	33.92%	56,420
PW Admin	84,641	26,570	31.39%	28,961
Street	981,542	359,739	36.65%	417,942
Sanitation	1,265,500	347,180	27.43%	452,667
Subtotal of PWD Expenditures	2,709,807	844,404	31.16%	1,001,582
General Fund - Total Expenditures	\$10,093,577	3,661,521	36.28%	3,873,529

City of La Marque
Budget to Actual
as of
February 29, 2012

	<u>Budget</u>	<u>YTD as of 2/29/2012</u>	<u>Benchmark 42.00%</u>	<u>YTD as of 2/28/2011</u>
<u>Utility Fund</u>				
Revenues:				
Operating Revenues	4,229,100	1,189,915	28.14%	1,454,544
Other Revenues	4,700	115,859	2465.08%	103,044
Transfer Ins	474,750	<u>197,813</u>	41.67%	115,667
Utility Fund - Total Revenues	<u>\$4,708,550</u>	<u>\$1,503,587</u>	31.93%	<u>1,673,254</u>
 * Note = Consumption down due to drought; billed for less usage.				
 Expenditures:				
UB/Accounting	361,308	111,431	30.84%	119,502
Utility Line Maint	1,279,752	275,012	21.49%	290,239
Water & Sewer Operations	2,150,714	659,852	30.68%	687,911
Debt Service	46,850	22,611	48.26%	22,611
Equipment Maintenance	193,529	47,210	24.39%	68,608
Storm Water	27,600	5,765	20.89%	767
Fund Expenditures	612,940	239,249	39.03%	247,605
Utility Fund - Total Expenditures	<u>\$4,672,693</u>	<u>\$1,361,130</u>	29.13%	<u>1,437,242</u>

City of La Marque
Budget to Actual
as of
February 29, 2012

Intermedix Ambulance Billing - Accounts Receivable, Billings and Collections

Intermedix Billing Services

As of October 31, 2011

Aged Receivables

Current	159,894.49
30 days	90,715.28
60 days	59,481.96
90 days	83,457.43
120 days	58,353.86
150 days	86,127.10
180 days	70,040.93
210 days	3,413,889.47
Unidentified payments	<u>(2,338.91)</u>

Accts. Receivable as of 10/31/2011 \$4,019,621.61

	<u>Billed</u>	<u>Intermedix Collections</u>	<u>Direct Deposit Medicare</u>
October-11	30,336.91	10,959.18	15,714.69
November-11	38,400.41	25,409.23	9,592.22
December-11	46,653.56	37,177.36	10,499.73
January-12		28,608.03	0.00
February-12		24,589.60	0.00
	<u>115,390.88</u>	<u>126,743.40</u>	<u>35,806.64</u>

Per Intermedix Report (Collected Charges, Fees & Medicare Payments)

162,550.04

EMS Ambulance Fees deposited into the General Fund

162,550.04

Unidentified Variance

0.00

City of La Marque
Budget to Actual
as of
February 29, 2012

City of La Marque
Budget to Actual
as of
February 29, 2012

Check Status	Check Number	Check Date	Vendor Name	Net Check Amount
	109691	02/03/12	ALLIED WASTE SERVICES	114,838.81
	109692	02/03/12	BIG STATE EXCAVATION, INC.	92,000.00
	109693	02/03/12	BLUE CROSS BLUESHIELD OF TEXAS	80,860.10
	109694	02/03/12	BRIAN AUZSTON	248.50
	109695	02/03/12	CAROL MCLEMORE	524.91
	109696	02/03/12	CHAD WAGGONER	298.50
	109697	02/03/12	CHRIS KELEMEN	248.50
	109698	02/03/12	CLEMENTS, DAVID L.	9.10
	109699	02/03/12	CLENT BROWN	50.00
	109700	02/03/12	COMPTON, BAILEY	14.39
	109701	02/03/12	CONNIE TRUBE	50.00
	109702	02/03/12	CONSOLIDATED ELECTRICAL DIST.	1,983.27
	109703	02/03/12	DEBBY KITTREDGE	221.69
	109704	02/03/12	DELORES DILLON	465.22
	109705	02/03/12	DENNIS MACIK	536.55
	109706	02/03/12	DIRECT ENERGY	50,280.94
	109707	02/03/12	DOMINGO MONTANEZ	248.50
	109708	02/03/12	DORSETT BROS. CONCRETE	433.91
	109709	02/03/12	FLAKE, GEORGIA	3.26
	109710	02/03/12	GRAND VIEW BUILDERS	50.00
	109711	02/03/12	GREG GILCHRIST	298.50
	109712	02/03/12	GULF COAST	67,841.59
	109713	02/03/12	JAMES L. OSTEN	50.00
	109714	02/03/12	JULIANA GREEN	550.33
	109715	02/03/12	KEITH BELL	50.00
	109716	02/03/12	LOWE'S BUSINESS ACCOUNT	583.15
	109717	02/03/12	MEDCALF, LOREN	60.50
	109718	02/03/12	MOODY BROTHERS INC	1,215.15
	109719	02/03/12	RAYDON ALEXANDER	227.33
	109720	02/03/12	RED DOOR HOUSING LLC	9.10
	109721	02/03/12	ROBERT HOCKING	50.00
	109722	02/03/12	SAM'S CLUB DIRECT	703.37
	109723	02/03/12	SUNBELT RENTALS	183.00
	109724	02/03/12	TEXAS CITY POLICE	10.00
V	109725	02/03/12	TEXAS CITY STANDARD	.00
V	109726	02/03/12	TEXAS CITY STANDARD	.00
V	109727	02/03/12	TEXAS CITY STANDARD	.00
V	109728	02/03/12	TEXAS CITY STANDARD	.00
V	109729	02/03/12	TEXAS CITY STANDARD	.00
V	109730	02/03/12	TEXAS CITY STANDARD	.00
V	109731	02/03/12	TEXAS CITY STANDARD	.00
V	109732	02/03/12	TEXAS CITY STANDARD	.00
V	109733	02/03/12	TEXAS CITY STANDARD	.00
V	109734	02/03/12	TEXAS CITY STANDARD	.00
V	109735	02/03/12	TEXAS CITY STANDARD	.00
	109736	02/03/12	TEXAS CITY STANDARD	9,773.65
	109737	02/03/12	TYLER TECHNOLOGIES -INCODE DIV	5,505.89
	109738	02/03/12	U. S. POST OFFICE	2,500.00
	109739	02/03/12	WAL-MART STORES INC #529	23.55

Check Status	Check Number	Check Date	Vendor Name	Net Check Amount
	109740	02/03/12	WORLDWIDE LANGUAGE & COMM.	3,000.00
	109743	02/10/12	AAA ASPHALT PAVING, INC.	417,387.07
	109744	02/10/12	AARP HEALTH CARE OPTIONS	84.45
V	109745	02/10/12	ACT PIPE & SUPPLY INC	.00
	109746	02/10/12	ACT PIPE & SUPPLY INC	14,301.93
	109747	02/10/12	ADT SECURITY SERVICES	145.85
	109748	02/10/12	AFLAC	2,347.16
	109749	02/10/12	ALERT ALARMS	50.00
	109750	02/10/12	ALEX'S AIR CONDITIONING	1,164.79
	109751	02/10/12	ALICIA ESKRIDGE	150.00
	109752	02/10/12	AMOCO FEDERAL CREDIT UNION	414.00
	109753	02/10/12	BAULCH SAND PIT, LLC	96.00
	109754	02/10/12	BENNY R. HOOPER	598.50
	109755	02/10/12	BOBBY HOCKING	504.54
	109756	02/10/12	BOUND TREE MEDICAL	1,272.70
	109757	02/10/12	CARLTON GETTY A.	10,245.92
	109758	02/10/12	CITIMORTGAGE INC.	1,435.00
	109759	02/10/12	CLENT BROWN	504.54
	109760	02/10/12	COBE, FENDLEY & ASSOC., INC.	2,156.25
	109761	02/10/12	COLBERT, RICHARD	11.81
	109762	02/10/12	COMCAST	78.98
	109763	02/10/12	COMCAST	78.98
	109764	02/10/12	COMPREHENSIVE INSURANCE	507.91
	109765	02/10/12	CONSOLIDATED ELECTRICAL DIST.	27.37
	109766	02/10/12	CRESCENT ELECTRIC CO.	537.20
	109767	02/10/12	DEPT OF STATE HEALTH SERVICES	289.00
	109768	02/10/12	DIESEL FUEL MAINTENANCE	165.00
	109769	02/10/12	DXI INDUSTRIES, INC.	2,806.54
	109770	02/10/12	ELITE K-9 INC.	7.95
	109771	02/10/12	ELITE K-9 INC.	49.50
	109772	02/10/12	EMPLOYER PLAN SERVICES	2,091.00
	109773	02/10/12	FedEx	104.65
	109774	02/10/12	FIRST MIDWEST BANK 520	98,455.45
	109775	02/10/12	GALV COUNTY DISTRICT ATTORNEY	511.35
	109776	02/10/12	GALVESTON COUNTY	16.50
	109777	02/10/12	GALVESTON COUNTY	19,602.20
	109778	02/10/12	GALVESTON DAILY NEWS	105.16
	109779	02/10/12	GALVESTON DAILY NEWS	168.00
	109780	02/10/12	GULF COAST CENTER	6,666.00
	109781	02/10/12	IBM	1,738.56
	109782	02/10/12	ICMA RETIREMENT CORPORATION	555.39
	109783	02/10/12	INTEGRITY CENTERS CORPORATION	79.65
	109784	02/10/12	JOURNAL COMMUNICATIONS, INC.	3,715.00
	109785	02/10/12	JULIANA GREEN	185.00
	109786	02/10/12	LA MARQUE POLICE	1,050.00
	109787	02/10/12	LANGLEY & BANACK, INC.	2,682.00
	109788	02/10/12	LM PROF FIREFIGHTERS	630.00
	109789	02/10/12	LONG & SON, INC.	28,333.75
	109790	02/10/12	MAINLAND COMMUNITIES	34.33

FIRE APPARATUS - Debt Payment

Check Status	Check Number	Check Date	Vendor Name	Net Check Amount
	109791	02/10/12	MAXWELL BAILER	485.00
	109792	02/10/12	MCREE FORD, INC.	65.90
	109793	02/10/12	METROPOLITAN LIFE INS. CO.	1,094.73
	109794	02/10/12	MUSTANG TRACTOR & EQUIPMENT	24.93
	109795	02/10/12	NEBCO/NPRIT	3,105.25
V	109796	02/10/12	OFFICE DEPOT INC.	.00
V	109797	02/10/12	OFFICE DEPOT INC.	.00
V	109798	02/10/12	OFFICE DEPOT INC.	.00
	109799	02/10/12	OFFICE DEPOT INC.	4,908.02
	109800	02/10/12	OFFICE OF ATTORNEY GENERAL	3,446.02
	109801	02/10/12	PRINCIPAL LIFE INSURANCE CO.	1,735.08
	109802	02/10/12	PRINCIPAL LIFE-DENTAL	1,083.38
	109803	02/10/12	PRINCIPAL LIFE-VISION	359.30
	109804	02/10/12	PUMP & POWER EQUIPMENT CO	1,348.80
	109805	02/10/12	ROBERT BARFIELD	1,375.00
	109806	02/10/12	ROTARY CLUB OF LA MARQUE	220.00
	109807	02/10/12	TEE'S N MORE	128.00
	109808	02/10/12	TERRA RENEWAL SERVICES, INC.	13,159.36
	109809	02/10/12	TEXAS CITY FEED & SUPPLY	48.98
	109810	02/10/12	TEXAS FIRST GROUP	2,238.88
	109811	02/10/12	TEXAS POLICE CHIEFS ASSOC.	240.00
	109812	02/10/12	TG	91.33
	109813	02/10/12	U.S. DEPARTMENT OF EDUCATION	126.26
	109814	02/10/12	UNITED PARCEL SERVICE	1.56
	109815	02/10/12	USW INTERNATIONAL UNION	105.67
	109816	02/10/12	WILLIAM W. HEITKAMP, TRUSTEE	1,017.00
	109817	02/10/12	XEROX CORPORATION	39.04
	109820	02/15/12	APACHE OIL COMPANY	40,652.03
	109821	02/15/12	CRESCENT ELECTRIC CO.	3,167.78
	109822	02/15/12	PLIC-SBD GRAND ISLAND	611.49
	109823	02/15/12	TEXAS MUNICIPAL	60,627.37
	109826	02/24/12	A CREATION FOR YOU FLORIST	64.95
	109827	02/24/12	A TO Z FENCE COMPANY	1,201.70
	109828	02/24/12	ABOVE THE REST JANITORIAL	285.00
	109829	02/24/12	ACTION PERSONNEL INC.	864.00
	109830	02/24/12	AFLAC	2,351.91
	109831	02/24/12	AIRGAS	228.44
	109832	02/24/12	ALERT ALARMS	50.00
	109833	02/24/12	ALEX AIR CONDITIONING	49.44
	109834	02/24/12	AMATO, DEDRA	26.25
	109835	02/24/12	AMOCO FEDERAL CREDIT UNION	414.00
	109836	02/24/12	ANA TIMS	101.25
	109837	02/24/12	AT&T	3,963.42
	109838	02/24/12	AT&T (LONG DISTANCE)	407.19
	109839	02/24/12	AT&T SUBPOENA CENTER	40.00
	109840	02/24/12	BAXTER ASSISTANCE SERVICES INC	700.00
	109841	02/24/12	BENNY R. HOOPER	1,150.72
	109842	02/24/12	BENSON, RAYNARD	9.10
	109843	02/24/12	BOUND TREE MEDICAL	269.52

Check Status	Check Number	Check Date	Vendor Name	Net Check Amount
	109844	02/24/12	BROOKSIDE EQUIPMENT SALES	349.11
	109845	02/24/12	C&S JANITORIAL SERVICES, INC.	1,995.00
	109846	02/24/12	CARLTON GETTY A.	275.00
	109847	02/24/12	CASTRO, DUANY	79.10
	109848	02/24/12	CERIDIAN BENEFIT SERVICES	123.90
	109849	02/24/12	CHCA MAINLAND, LP	270.00
	109850	02/24/12	CITY OF WEBSTER	100.00
	109851	02/24/12	COMCAST	94.60
	109852	02/24/12	COMCAST	730.08
	109853	02/24/12	COMCAST	157.96
	109854	02/24/12	COMPREHENSIVE INSURANCE	507.91
	109855	02/24/12	COMPREHENSIVE INSURANCE	250.00
	109856	02/24/12	CREATIVE AND CAASCO SIGNS INC.	241.05
	109857	02/24/12	CRESCENT ELECTRIC CO.	1,052.71
	109858	02/24/12	CROWN TITLE COMPANY	1,185.00
	109859	02/24/12	DE LAGE LANDEN PUBLIC FINANCE	447.00
	109860	02/24/12	DEMCO INCORPORATED	1,152.18
	109861	02/24/12	DIRECT ENERGY	59,162.49
	109862	02/24/12	DOLPHIN CHEMICAL & SUPPLY LLC	114.00
	109863	02/24/12	DR. PAUL FINE	650.00
	109864	02/24/12	DXI INDUSTRIES, INC.	2,187.03
	109865	02/24/12	EMMIS PUBLISHING, LLP	3,401.00
	109866	02/24/12	FBI NAA	95.00
	109867	02/24/12	G & K SERVICES	1,006.07
	109868	02/24/12	GALV COUNTY DISTRICT ATTORNEY	310.10
	109869	02/24/12	GALVESTON CO FIREFIGHTERS ASSN	115.00
	109870	02/24/12	GALVESTON COUNTY	3,988.25
	109871	02/24/12	GALVESTON DAILY NEWS	238.28
	109872	02/24/12	GALVESTON DAILY NEWS	70.50
	109873	02/24/12	GREGORY RIEDE, PHD.	400.00
	109874	02/24/12	HALL DOOR COMPANY	135.00
	109875	02/24/12	HARRIS COUNTY TREASURER	42.40
	109876	02/24/12	HERNANDEZ, AMANDA	79.10
	109877	02/24/12	HOFFMAN LUMBER COMPANY	204.08
	109878	02/24/12	HOUSTON FREIGHTLINER, INC.	30.06
	109879	02/24/12	ICMA RETIREMENT CORPORATION	535.36
	109880	02/24/12	IGNACIO LARIOS JR	314.00
	109881	02/24/12	INTERNAL REVENUE SERVICE	2,424.00
	109882	02/24/12	J & M LOCK SHOP, INC.	22.00
	109883	02/24/12	JASON HUBBELL	178.50
	109884	02/24/12	KINLOCH EQUIPMENT & SUPPLY, INC	1,396.33
	109885	02/24/12	KIRBY L. WILSON	3,640.00
	109886	02/24/12	LANGLEY & BANACK, INC.	512.14
	109887	02/24/12	LARRY'S ARTS & CRAFTS	175.20
	109888	02/24/12	LESNIEWSKI, JAY D	9.10
	109889	02/24/12	LJA ENGINEERING & SURVEYING	4,271.20
	109890	02/24/12	LONE STAR UNIFORMS, INC.	1,480.61
	109891	02/24/12	LOWE'S BUSINESS ACCOUNT	301.12
	109892	02/24/12	MAINLAND COMMUNITIES	57.00

Check Status	Check Number	Check Date	Vendor Name	Net Check Amount	
	109893	02/24/12	MARIMON BUSINESS SYSTEMS	110.00	
	109894	02/24/12	MATHESON TRI-GAS	58.55	
	109895	02/24/12	MCREE FORD, INC.	119.98	
	109896	02/24/12	METROPOLITAN LIFE INS. CO.	1,094.73	
	109897	02/24/12	MICHAEL E. CORNITIUS	78.50	
	109898	02/24/12	MICHAEL MARTINEZ	2,480.00	
	109899	02/24/12	MICROFLEX	216.10	
	109900	02/24/12	MID-AMERICAN RESEARCH	1,796.10	
	109901	02/24/12	MIKE'S PEST CONTROL INC	84.95	
	109902	02/24/12	MONROE, MARGARET	60.66	
	109903	02/24/12	MOUTON, RANDY EMANUEL JR	38.20	
	109904	02/24/12	MUNICIPAL CODE CORPORATION	56.00	
	109905	02/24/12	NAPCO CHEMICAL COMPANY	5,058.90	
	109906	02/24/12	OFFICE OF ATTORNEY GENERAL	3,446.02	
	109907	02/24/12	OLSON & OLSON ATTN AT LAW	8,030.00	
	109908	02/24/12	PARRISH & PARRISH TRACTOR SERV	489.00	
	109909	02/24/12	PAVLU, C H	5.00	
	109910	02/24/12	PITNEY-BOWES	1,500.00	
	109911	02/24/12	PRINCIPAL LIFE-DENTAL	1,075.85	
	109912	02/24/12	PRINCIPAL LIFE-VISION	372.03	
	109913	02/24/12	REPROGRAPHIC & DISTRIBUTION	50.00	
	109914	02/24/12	SAFETY SHOE DISTRIBUTORS	970.96	
	109915	02/24/12	SAM'S CLUB DIRECT	836.33	
	109916	02/24/12	SIRCHIE FINGER PRINT LAB.	68.76	
	109917	02/24/12	SOUTH HOUSTON CONCRETE PIPE CO	285.00	
	109918	02/24/12	SPORT SUPPLY GROUP, INC.	7,250.00	
	109919	02/24/12	STILLMEADOW, INC.	1,110.00	
	109920	02/24/12	STW INC.	429.00	
	109921	02/24/12	SUNGARD PUBLIC SECTOR, INC.	13,287.08	
	109922	02/24/12	T.C.E.Q.	100.00	
	109923	02/24/12	TEXAS CITY FEED & SUPPLY	37.99	
	109924	02/24/12	TEXAS CITY POLICE	10.00	
	109925	02/24/12	TEXAS CITY POLICE	10.00	
	109926	02/24/12	TEXAS CITY POLICE	10.00	
V	109927	02/24/12	TEXAS CITY STANDARD	.00	
V	109928	02/24/12	TEXAS CITY STANDARD	.00	
V	109929	02/24/12	TEXAS CITY STANDARD	.00	
V	109930	02/24/12	TEXAS CITY STANDARD	.00	
	109931	02/24/12	TEXAS CITY STANDARD	5,104.71	
	109932	02/24/12	TEXAS CITY-LA MARQUE	1,320.00	
	109933	02/24/12	TEXAS FIRST GROUP	3,014.30	
	109934	02/24/12	TEXAS MUNICIPAL LEAGUE	2,460.00	
	109935	02/24/12	TEXAS WATER FOUNDATION	105.00	
	109936	02/24/12	TG	91.33	
	109937	02/24/12	TRANSACT TECHNOLOGIES INC.	121.51	
	109938	02/24/12	U.S. DEPARTMENT OF EDUCATION	126.26	
	109939	02/24/12	USW INTERNATIONAL UNION	105.67	
	109940	02/24/12	VARDA SILENT ALARM	80.50	
V	109941	02/24/12	WELLS FARGO BANK	131,328.13	

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debit service payment

Check Status	Check Number	Check Date	Vendor Name	Net Check Amount	
	109942	02/24/12	WELLS FARGO HOME MORTGAGE	1,185.00	
	109943	02/24/12	WELLS FARGO HOME MORTGAGE	1,185.00	
	109944	02/24/12	WILLIAM W. HEITKAMP, TRUSTEE	1,017.00	
	109945	02/24/12	WILLIAMS, PAMELA R.	9.10	
	109946	02/24/12	WILLIAMS, PAMELA RAE (SPRINKLE	42.05	
	109947	02/24/12	XEROX CORPORATION	77.56	
	109950	02/29/12	AT&T MOBILITY	2,570.52	
	109951	02/29/12	BBVA COMPASS BANK	31,739.69	-DEBT SERVICE PAYMENT
	109952	02/29/12	GULF COAST	64,284.31	
	109953	02/29/12	ROBIN LONER	2,043.51	
	109954	02/29/12	SUSAN DARWIN	206.80	

				1,477,898.27	

* * * End of Report * * *