

OTHER FUNDS

City of New Braunfels
 Cemetery Perpetual Care Fund
 Fiscal Year Ending September 30, 2009

Fund: 781

Available Funds	FY 2006-07 Actual	FY 2007-08 Estimate	FY 2008-09 Budget
Beginning Balance			
Undesignated Funds	\$ 182,076	\$ 192,299	\$ 198,339
Total Beginning Balance	\$ 182,076	\$ 192,299	\$ 198,339
Revenue			
Licenses and Permits	\$ 650	\$ 500	\$ 500
Interest Income	9,573	5,540	5,000
Total Revenue	\$ 10,223	\$ 6,040	\$ 5,500
TOTAL AVAILABLE FUNDS	\$ 192,299	\$ 198,339	\$ 203,839
APPROPRIATIONS			
Operations Expenses	\$ 0	\$ 0	\$ 50,000
TOTAL OPERATING APPROPRIATIONS	\$ 0	\$ 0	\$ 50,000
Appropriated Fund Balance	\$ 192,299	\$ 198,339	\$ 153,839
TOTAL APPROPRIATIONS	\$ 192,299	\$ 198,339	\$ 203,839

CEMETERY PERPETUAL CARE FUND

**Cemetery Fund: 781
Department Code: 6006**

Program Description:

The City of New Braunfels owns and maintains a perpetual care cemetery located on Peace Avenue. The City's Parks and Recreation Department has responsibility for managing the contractor who provides maintenance and operation services for the site. The contractor ensures perpetual care standards are met, maintains the grounds and landscaping, and facilitates the sale of lots and burials in the facility. The costs for upkeep of the grounds are paid from the City's General Fund Parks and Recreation Department budget. This perpetual care fund is used for improvements should the need arise.

Appropriations:

	FY 2006-07	FY 2007-08	FY 2008-09
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Operations Expenses	\$0	\$0	\$50,000
<i>Total Appropriations</i>	<i>\$0</i>	<i>\$0</i>	<i>\$50,000</i>

Program Justification and Fiscal Analysis:

The City of New Braunfels must maintain sufficient funds now and in the future in this fund to meet the perpetual care standards for the cemetery. Therefore, only a portion of the total available funds are appropriated annually for needed upkeep at the facility. In the past two years, no expenditures have been required from this fund. For FY 2008-09, \$50,000 is appropriated should the need occur for improvement projects.

City of New Braunfels
 Debt Service Fund
 Fiscal Year Ending September 30, 2009

Fund: 401

Available Funds	FY 2006-07 Actual	FY 2007-08 Estimate	FY 2008-09 Budget
Beginning Balance			
Undesignated Funds	\$ 1,423,043	\$ 2,472,565	\$ 2,531,447
Total Beginning Balance	\$ 1,423,043	\$ 2,472,565	\$ 2,531,447
Revenue			
Taxes and Transfers	\$ 2,384,828	\$ 3,786,897	\$ 4,813,226
Interest Income	107,985	52,350	60,000
Interfund Transfers	935,744	597,798	602,398
Contributions	647,291	966,707	974,631
Miscellaneous	95,727	0	0
Total Revenue	\$ 4,171,575	\$ 5,403,752	\$ 6,450,255
TOTAL AVAILABLE FUNDS	\$ 5,594,618	\$ 7,876,318	\$ 8,981,702
APPROPRIATIONS			
Debt Service	\$ 3,122,053	\$ 5,344,871	\$ 6,826,311
Interfund Transfer	0	0	311,483
APPROPRIATIONS	\$ 3,122,053	\$ 5,344,871	\$ 7,137,794
Appropriated Fund Balance	\$ 2,472,565	\$ 2,531,447	\$ 1,843,908
TOTAL APPROPRIATIONS	\$ 5,594,618	\$ 7,876,318	\$ 8,981,702

DEBT SERVICE FUND

**Debt Service Fund: 401
Department Code: 1501**

Program Description:

The City of New Braunfels issues bonds and certificates of obligation to fund needed capital improvement projects such as streets and drainage improvements, park improvements, library and fire station construction, civic/convention center renovations and additions, airport towers and hangers, and other major projects. The amounts budgeted in this fund reflect the principal and interest payments for outstanding debt. The first table below lists the current outstanding certificates of obligation (C of O's) and tax note debt issuances, their purpose, issuance date and amount of debt. The second set of tables shows the City's total principal and interest payments for the life of the existing outstanding debt by issuance.

<u>Authorized and Issued Amount</u>	<u>Purpose</u>	<u>Type Debt</u>	<u>Interest Rate</u>	<u>Issue Date/ Maturity Date</u>
\$600,000	Golf Course improvements	Revenue	6.5%	March 1, 1996/ September 1, 2011
\$3.25 million	Library building construction	C of O's	6.0%	August 1, 1998/ September 1, 2018
\$6.27 million	Street improvements and hike/bike trail	C of O's	3.7%	June 15, 2003/ September 30, 2023
\$26 million	Streets and drainage improvements	C of O's	4.2%	April 15, 2004/ September 30, 2020
\$1.6 million	Airport hanger	C of O's	4.3%	September 25, 2006/ September 30, 2021
\$8.0 million	Civic/Convention Center improvements and expansion	C of O's	4.2%	September 25, 2006/ September 30, 2026
\$10.6 million	Refunding	GO Bond	4.0%	December 5, 2006/ September 30, 2025
\$17.5 million	Streets and Drainage, Parks, Fire Station	C of O's	4.2%	September 19, 2007/ September 30, 2027
\$2 million	Tax Notes	Tax Notes	3.4%	June 5, 2008/ September 30, 2015
\$14.3 million	Streets and Drainage, Public Works Facility, Fire Training Facility	C of O's	4.82%	August 11, 2008/ September 30, 2028

The following chart shows the City of New Braunfels total outstanding debt requirements annually through the life of all outstanding debt. These charts do not include the 2008 Certificates of Obligation sale that was completed in late September, 2008.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2008-09	3,140,000	2,563,846	5,703,846
FY 2009-10	3,375,000	2,435,188	5,670,188
FY 2010-11	3,320,000	2,302,326	5,622,326
FY 2011-12	3,370,000	2,166,770	5,536,770
FY 2012-13	3,475,000	2,021,223	5,496,223
FY 2013-14	3,580,000	1,867,910	5,447,910
FY 2014-15	3,710,000	1,710,005	5,420,005
FY 2015-16	3,505,000	1,548,913	5,053,913
FY 2016-17	3,620,000	1,390,033	5,010,033
FY 2017-18	3,425,000	1,238,896	4,663,896
FY 2018-19	3,290,000	1,081,751	4,371,751
FY 2019-20	3,400,000	929,939	4,329,939
FY 2020-21	3,515,000	778,662	4,293,662
FY 2021-22	3,460,000	628,478	4,088,478
FY 2022-23	3,565,000	479,824	4,044,824
FY 2023-24	3,140,000	324,357	3,464,357
FY 2024-25	3,235,000	184,341	3,419,341
FY 2025-26	1,380,000	80,588	1,460,588
FY 2026-27	650,000	17,063	667,063
Total	\$ 60,015,000	\$ 23,750,133	\$ 83,765,113

The chart below shows the outstanding obligations for the City of New Braunfels Revenue Bonds issued in March 1996. The original issue amount was \$600,000. This debt service is paid entirely from the Golf Fund.

<u>Period Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
FY 2008-09	50,000	9,158	59,158
FY 2009-10	55,000	5,665	60,665
FY 2010-11	55,000	1,911	56,911
Total	\$ 160,000	\$ 16,734	\$ 176,734

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in August 1998. The original issue amount was \$3,250,000. This debt service is paid by the New Braunfels Industrial Development Corporation.

<u>Period Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
FY 2008-09	160,000	47,098	207,098
FY 2009-10	170,000	40,138	210,138
FY 2010-11	175,000	32,658	207,658
FY 2011-12	185,000	24,958	209,958
FY 2012-13	0	16,633	16,633
FY 2013-14	0	16,633	16,633
FY 2014-15	105,000	16,633	121,633
FY 2015-16	0	11,750	11,750
FY 2016-17	0	11,750	11,750
FY 2017-18	250,000	11,750	261,750
Total	\$ 1,045,000	\$ 230,001	\$ 1,275,001

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in June 2003. The original issue amount was \$6,270,000. This debt service is also paid by the New Braunfels Industrial Development Corporation.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2008-09	235,000	190,420	425,420
FY 2009-10	245,000	181,020	426,020
FY 2010-11	260,000	171,220	431,220
FY 2011-12	275,000	164,070	439,070
FY 2012-13	290,000	156,233	446,233
FY 2013-14	305,000	147,533	452,533
FY 2014-15	325,000	138,078	463,078
FY 2015-16	345,000	127,353	472,353
FY 2016-17	360,000	115,623	475,623
FY 2017-18	380,000	103,023	483,023
FY 2018-19	405,000	88,963	493,963
FY 2019-20	425,000	73,775	498,775
FY 2020-21	450,000	57,200	507,200
FY 2021-22	475,000	39,200	514,200
FY 2022-23	505,000	20,200	525,200
Total	\$ 5,280,000	\$ 1,773,911	\$ 7,053,911

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in April 2004. The original issue amount was \$26,000,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2008-09	1,070,000	692,725	1,762,725
FY 2009-10	1,090,000	658,963	1,748,963
FY 2010-11	1,120,000	613,250	1,733,250
FY 2011-12	1,150,000	562,250	1,712,250
FY 2012-13	1,185,000	509,625	1,694,625
FY 2013-14	1,225,000	449,375	1,674,375
FY 2014-15	1,270,000	387,000	1,657,000
FY 2015-16	1,315,000	322,375	1,637,375
FY 2016-17	1,365,000	255,375	1,620,375
FY 2017-18	1,415,000	185,875	1,600,875
FY 2018-19	1,475,000	113,625	1,588,625
FY 2019-20	1,535,000	38,375	1,573,375
Total	\$ 15,215,000	\$ 4,788,813	\$ 20,003,813

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in September 2006. The original issue amount was \$8,000,000. This debt is paid entirely with proceeds from the City’s hotel/motel tax.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2008-09	275,000	327,398	602,398
FY 2009-10	290,000	316,398	606,398
FY 2010-11	305,000	304,798	609,798
FY 2011-12	320,000	292,598	612,598
FY 2012-13	335,000	276,598	611,598
FY 2013-14	350,000	259,429	609,429
FY 2014-15	370,000	241,929	611,929
FY 2015-16	385,000	227,129	612,129
FY 2016-17	405,000	211,729	616,729
FY 2017-18	425,000	195,529	620,529
FY 2018-19	450,000	178,529	628,529
FY 2019-20	470,000	160,529	630,529
FY 2020-21	495,000	141,259	636,259
FY 2021-22	520,000	120,840	640,840
FY 2022-23	545,000	99,390	644,390
FY 2023-24	570,000	76,500	646,500
FY 2024-25	600,000	52,275	652,275
FY 2025-26	630,000	26,775	656,775
Total	\$ 7,740,000	\$ 3,509,632	\$ 11,249,632

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in September 2006. The original issue amount was \$1,600,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2008-09	85,000	66,143	151,143
FY 2009-10	90,000	62,318	152,318
FY 2010-11	95,000	58,268	153,268
FY 2011-12	100,000	53,993	153,993
FY 2012-13	105,000	49,493	154,493
FY 2013-14	110,000	44,768	154,768
FY 2014-15	115,000	39,818	154,818
FY 2015-16	120,000	34,643	154,643
FY 2016-17	125,000	29,243	154,243
FY 2017-18	135,000	24,243	159,243
FY 2018-19	140,000	18,708	158,708
FY 2019-20	145,000	12,828	157,828
FY 2020-21	155,000	6,665	161,665
Total	\$ 1,520,000	\$ 501,131	\$ 2,021,131

The chart below shows the outstanding obligations for the City of New Braunfels Refunding General Obligation issued in December 2006. The original issue amount was \$10,600,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2008-09	55,000	429,738	484,738
FY 2009-10	55,000	427,538	482,538
FY 2010-11	55,000	425,338	480,338
FY 2011-12	60,000	423,038	483,038
FY 2012-13	260,000	416,638	676,638
FY 2013-14	270,000	406,038	676,038
FY 2014-15	175,000	397,138	572,138
FY 2015-16	295,000	387,738	682,738
FY 2016-17	310,000	375,638	685,638
FY 2017-18	70,000	368,038	438,038
FY 2018-19	70,000	365,238	435,238
FY 2019-20	75,000	362,338	437,338
FY 2020-21	1,665,000	327,538	1,992,538
FY 2021-22	1,715,000	259,938	1,974,938
FY 2022-23	1,765,000	189,234	1,954,234
FY 2023-24	1,820,000	115,294	1,935,294
FY2024-25	1,885,000	38,878	1,923,878
Total	\$ 10,600,000	\$ 5,715,338	\$ 16,315,338

The chart below shows the outstanding obligations for the City of New Braunfels Streets and Drainage, Parks and Fire Station Obligations issued in December 2007. The original issue amount was \$17,500,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2008-09	960,000	726,838	1,686,838
FY 2009-10	970,000	688,238	1,658,238
FY 2010-11	980,000	649,238	1,629,238
FY 2011-12	995,000	609,738	1,604,738
FY 2012-13	1,005,000	569,738	1,574,738
FY 2013-14	1,015,000	528,069	1,543,069
FY 2014-15	1,030,000	483,969	1,513,969
FY 2015-16	1,045,000	437,925	1,482,925
FY 2016-17	1,055,000	390,675	1,445,675
FY 2017-18	750,000	350,438	1,100,438
FY 2018-19	750,000	316,688	1,066,688
FY 2019-20	750,000	282,094	1,032,094
FY 2020-21	750,000	246,000	996,000
FY 2021-22	750,000	208,500	958,500
FY 2022-23	750,000	171,000	921,000
FY 2023-24	750,000	132,563	882,563
FY2024-25	750,000	93,188	843,188
FY2025-26	750,000	53,813	803,813
FY2026-27	650,000	17,063	667,063
Total	\$16,455,000	\$6,955,175	\$23,410,775

The chart below shows the outstanding obligations for the City of New Braunfels Tax Note Obligations issued in June 2008. The original issue amount was \$2,000,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2008-09	250,000	74,328	324,328
FY 2009-10	270,000	54,910	324,910
FY 2010-11	275,000	45,645	320,645
FY 2011-12	285,000	36,125	321,125
FY 2012-13	295,000	26,265	321,265
FY 2013-14	305,000	16,065	321,065
FY 2014-15	320,000	5,440	325,440
Total	\$ 2,000,000	\$ 258,778	\$ 2,258,778

Appropriations:

	<u>FY 2006-07 Actual</u>	<u>FY 2007-08 Estimate</u>	<u>FY 2008-09 Budget</u>
Debt Service	\$3,122,053	\$5,344,871	\$6,826,311
Interfund Transfers	0	0	311,483
<i>Total Appropriations</i>	<i>\$3,122,053</i>	<i>\$5,344,871</i>	<i>\$7,137,794</i>

Program Justification and Fiscal Analysis:

The FY 2008-09 Budget appropriates \$7,137,794 or 33.5 percent more than the FY 2007-08 estimates. This occurs for several reasons. The City issued \$17.5 million in certificates of obligation in 2007 and \$2 million in tax notes. A full year's principal and interest payment is included in the FY 2008-09 Budget for these debt issuances. In addition, a transfer of \$311,483 from the Debt Service Fund to the General Fund is included in the budget. This transfer reflects funds that were available in the Hotel/Motel Tax Fund that were originally moved into the Debt Service Fund to increase its fund balance reserves. However, the debt service reserves are more than adequately funded; therefore, this amount is moved to the General Fund to help offset the Civic/Convention Center's operating expenditures. Finally, funding for the principal and interest payments associated with 2008 Certificates of Obligation issued by the City in September 2008 is included in the FY 2008-09 Budget.

Over the last several fiscal years, the City has maintained a fund balance in the Debt Service Fund about equal to one half the annual debt service requirements. Internal Revenue Service regulations require arbitrage calculations if the fund balance remains higher than approximately ten percent of the total annual debt service of an entity. Therefore, the FY 2008-09 Budget begins to proactively draw down this fund balance. This process actually began in FY 2007-08 when the debt service associated with the Airport hanger was paid from available fund balance. This debt (about \$160,000) will again be paid in FY 2008-09 from available reserves. In addition, \$300,000 from fund balance will be used to pay for debt normally funded from property tax. At the rate of \$300,000 annually, the City can use available reserves for five years before the fund balance is drawn down to ten percent.

**City of New Braunfels
Self Insurance Fund
Fiscal Year Ending September 30, 2009**

Fund: 601

Available Funds	FY 2006-07 Actual	FY 2007-08 Estimate	FY 2008-09 Budget
Beginning Balance			
Undesignated Funds	\$ 662,556	\$ 917,500	\$ 979,661
Total Beginning Balance	\$ 662,556	\$ 917,500	\$ 979,661
Revenue			
Premiums	\$ 3,731,278	\$ 3,877,000	\$ 3,930,184
Interest Income	46,732	33,000	40,000
Miscellaneous	0	250	0
Total Revenue	\$ 3,778,011	\$ 3,910,250	\$ 3,970,184
TOTAL AVAILABLE FUNDS	\$ 4,440,567	\$ 4,827,750	\$ 4,949,845
APPROPRIATIONS			
Employee Expenses	\$ 3,523,067	\$ 3,848,089	\$ 4,303,476
TOTAL OPERATING APPROPRIATIONS	\$ 3,523,067	\$ 3,848,089	\$ 4,303,476
Appropriated Fund Balance	\$ 917,500	\$ 979,661	\$ 646,368
TOTAL APPROPRIATIONS	\$ 4,440,567	\$ 4,827,750	\$ 4,949,845

SELF INSURANCE FUND

Fund: 601

Department Code: various

Mission:

To design, maintain and manage the best, affordable benefit program to meet employee needs.

Vision:

To continue to maximize the value and quality of the employee's benefit package to attract and retain highly qualified, productive employees.

Program Description:

The Self Insurance Fund of the City of New Braunfels is used to account for the employee insurance benefits program. Revenue into the fund comes from insurance premiums paid by both the City and the employee. Expenses include third party administration, the cost of stop/loss insurance, and actual claims expenses paid for medical, dental, and vision services. The City pays for the employee's medical, vision, dental, accidental death and dismemberment, and life insurance effective the first day of full-time employment. Employees must contribute to the cost of dependent coverage for medical, dental, and vision and have the option of paying the full cost for themselves and/or for their dependents of other cafeteria plan benefits offered such as health and dependent care accounts, short term disability, accident and cancer insurance, universal and term life policies, and other similar programs.

The City is self insured for medical, dental and vision insurances provided to employees. This means that the City pays a premium from the operating and enterprise funds into this Self Insurance Fund. The fund then uses that revenue to pay claims, administrative expenses, and stop/loss insurance. Stop/loss provides the City outside insurance for large claims. Once a claim reaches the stop/loss level, currently \$80,000, the City's Self Insurance Fund no longer pays the claim costs; the stop/loss insurer pays the claim costs. This has proven a cost-effective means for the City to control medical insurance expenses.

Beginning in FY 2007-08, the Self Insurance Fund is also used to fund the City's new wellness program – *Cityfit* – to further promote employee's health and well-being. In addition, beginning in FY 2008-09, this fund pays the cost of the employee assistance program and other preventive measures such as vaccinations and flu shots.

Appropriations:

	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Employee Expenses	\$3,523,067	\$3,848,089	\$4,303,476
<i>Total Appropriations</i>	<i>\$3,523,067</i>	<i>\$3,848,089</i>	<i>\$4,303,476</i>

Program Justification and Fiscal Analysis:

Medical, Dental, Prescription and Vision Employee Benefits Plan: The rising cost of health care is a constant concern nationwide. Many organizations are seeing double digit increases in some cases. However, the City of New Braunfels and its employees have effectively managed medical services costs and claims and, therefore, avoided large increases in costs and premiums (both paid by the City and the employees) over the last three years. Due to the City's good experience, no increase in the premiums is being recommended either for the City's contribution or for employees' contributions for their dependents' coverage. Employee medical, dental, prescription and vision coverage will continue to be offered at no charge to the employee, and dependent coverage premiums will remain at the current levels. In plan year 2007-08, Council reduced the employees' contribution for all dependent coverage by \$50 per pay period. This is the level of employee contributions that will remain in place for plan year 2008-09. The City's contribution toward employee health insurance will also remain the same at \$617.33 per employee per month.

This fiscal year, a second plan was offered to employees to enhance the overall medical insurance plan and to provide a more affordable option. The City's current plan is now called the "premium" plan. It matches, for the most part, the current health plan deductibles, co-pays, maximum out-of-pockets, etc. The changes to the premium plan are described below. The monthly amounts paid by the employees for dependent coverage also remain the same in this plan. A second "base" plan is added which has higher out-of-pocket costs (deductibles and co-payments), but lower monthly premiums. This plan is being offered as an alternative for employees who may not currently have their dependents on the plan due to cost, or who may just need a different level of coverage. It represents a higher risk, lower cost option designed to provide more affordable coverage. By offering the two plans, it is estimated that the City will not incur additional claims costs.

A few changes occur in the "premium" (current) plan to continue to move slowly toward a plan whose design more closely resembles the current "market" in terms of plan design for co-pays and deductibles. A three-tier prescription card program is now included that charges a \$5 co-payment for generic drugs, \$20 for preferred brands, and \$40 for non-preferred (newer prescriptions) brands, which is common in the industry. The current prescription co-payments are \$5 for generic and \$20 for all others. A specialist co-payment that is slightly higher than the co-payment for other practitioners is also now part of the premium plan. The co-payment is \$40 for the specialist and \$20 for other providers. This is also the standard practice in the industry due to the cost passed on to the City for specialists visits. In addition, some enhancements to the vision plan are made that provide services annually rather than every two years as is the case in the current plan. No changes are recommended for the dental insurance plan.

Human Resources staff will continue to work with employees to focus on wellness and employee education regarding smart consumerism as it relates to utilization of the health plan to help the City maintain as much as possible its current trend of very low growth in medical insurance costs.

Wellness: The FY 2008-09 Budget also includes continued funding in the amount of \$100,000 for the City's wellness program – *Cityfit* – established in FY 2007-08. This program is designed to further promote the health and well-being of our employees. Wellness programs are shown,

over the long term, to reduce the cost of medical insurance to employers. Since the program is expected to directly impact the claims expenses in this fund, *Cityfit* is funded in the Self Insurance Fund again this budget year. The program was established through an outside provider that offers a web-based program that tracks employees' fitness activities and provides rewards for reaching various levels of activity. To continue building this program, staff is pursuing partnerships with local wellness providers and is planning City-wide fitness events. As the City continues to develop this program, staff will invite other local public entities to participate with City employees. This could include Comal County, New Braunfels Utilities and the school districts.

Employee Assistance Program and other wellness efforts: In January 2006, the City began offering an employee assistance program. It provides counseling and referral services for employees and their dependents on a voluntary basis. The response to this program has been positive both from the employees' and the City's perspectives with high rates of participation in comparison to industry averages. The FY 2008-09 Budget continues funding this program at an annual cost of \$12,000. In the past, this program was funded in the City's General Fund Non-Departmental budget. However, this expense is now budgeted in the City's Self Insurance Fund to reflect its importance as part of the City's overall wellness effort. In addition, the budget includes \$12,000 for preventative health measures such as vaccinations (required for certain positions) and flu shots.

Policy Considerations:

The cost of employee benefit programs, particularly medical insurance, continues to rise. The City of New Braunfels along with our third party administration Great West Healthcare has been successful over the last three years in managing health care costs and has not experienced the dramatic increases other public and private entities have seen. However, the City must remain proactive in its approach to providing medical and other insurance coverage to employees. During FY 2006-07 and FY 2007-08, City staff worked with our insurance consultant to make some changes in the current medical insurance plan structure to encourage employees to make cost effective decisions about their medical services whenever possible. During the next fiscal year, staff plans to work other local public entities to determine the best course of action for future medical insurance. This will include exploring partnerships with these entities to increase our risk pool with the objective of reducing or maintaining current costs. The objective will remain to provide quality employee benefits at the most reasonable cost.

Risk management and safety programs are a key component of any strategy to provide effective services to the citizens at the least cost possible. The City currently has training and safety programs in some areas of the organization. However, a City-wide approach to this issue remains to be implemented. Enhanced training programs would also provide additional benefits. Clearly, the safer the work environment, the more productive the employees can be. To address these issues, staff is assessing the need for a risk and safety coordinator to manage inherent risks associated with employee's and work environments, business processes and safety policies and practices.

***NEW BRAUNFELS INDUSTRIAL DEVELOPMENT
CORPORATION FUND***

Fund: 212

Program Description:

The New Braunfels Industrial Development Corporation (4B) works with the City of New Braunfels to promote economic development in the community. They receive a portion (25 percent) of the sales tax collected in the City to fund various programs and projects that benefit the citizens. These projects include such things as park improvements, construction of a new airport tower, loans to businesses relocating in the area (recent examples include Home Depot, Leisure Pools and Ashley Furniture), contributions to the cost of the Civic/Convention Center improvements, training funds for companies moving into the area, and other important projects. The main focus of 4B is to encourage economic development that brings quality jobs to the community.

New Braunfels Industrial Development Corp.
Fiscal Year Ending September 30, 2009

	FY 2006-07	FY 2007-08	FY 2008-09
	Actual	Estimate	Budget
Beginning Fund Balance	\$ 5,464,643	\$ 8,542,069	\$ 11,739,367
Revenue:			
Sales Tax	\$ 3,733,261	\$ 3,917,961	\$ 4,127,855
Interest Income	318,609	120,000	120,000
Loan Payments	564,134	575,044	568,375
Total Revenue	\$ 4,616,004	\$ 4,613,005	\$ 4,816,229
Total Available Funds	<u>\$ 10,080,647</u>	<u>\$ 13,155,074</u>	<u>\$ 16,555,596</u>
Expenditures:			
Administrative (City)	\$ 12,000	\$ 12,000	\$ 12,000
Miscellaneous	1,151	2,000	3,000
<i>Projects</i>			
Career and Job Training			
A-Lert	36,000	0	0
EH Systems, Inc.	0	0	128,000
Economic Development			
Chamber of Commerce Contract	148,064	200,000	253,000
Downtown Master Plan	0	0	95,000
Altra Job Development	0	0	50,000
TIP Strategies	0	0	20,000
Wayfinding Signs Professional Services	10,841	0	0
Ashley Furniture Utility Relocation	0	0	90,000
Leisure Pools	500,000	0	0
CTTC Manufacturing Technology Academy	0	55,000	0
New Braunfels Entrepreneurship Center		180,000	
Koontz-McCombs Industrial Park			1,040,553
Projects			13,000,000
<i>Debt</i>			
1998 Certificates of Obligation	0	203,548	207,098
2003 Certificates of Obligation	830,522	419,220	425,420
2006 Refunding	0	39,400	39,400
2007 Certificates of Obligation	0	304,539	302,713
Total Expenditures	<u>1,538,578</u>	<u>1,415,707</u>	<u>15,666,184</u>
Ending Fund Balance	<u>\$ 8,542,069</u>	<u>\$ 11,739,367</u>	<u>\$ 889,412</u>