

**AGENDA REQUEST
DEVELOPMENT AUTHORITY OF PEARLAND
PEARLAND, TEXAS**

AGENDA OF: 9/26/2016	ITEM NO.: Resolution No. RDAP-2016-01
DATE SUBMITTED: 8/24/2016	REPRESENTING: City of Pearland
PREPARED BY: Carrie Ditta	PRESENTOR: Rick Overgaard
SUBJECT: Resolution RDAP 2016-01 -A Resolution of the Development Authority of Pearland Accepting the 2015 Annual Financial Report for the Fiscal Year Ending September 30, 2015.	
EXHIBITS: Resolution No. RDAP-2016-01 Independent Auditors Report, Balance Sheet, Revenue and Expenditure Report, Statement of Net Position, and Note 5 - Debt	
EXPENDITURE REQUIRED: None PROJECT: N/A	

EXECUTIVE SUMMARY

Pursuant to State law, a municipality shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The Development Authority, which is considered a blended component unit of the primary government, was included in the audit for the fiscal year ended September 30, 2015. Since a blended component unit, the Authority's liability for debt issued is included in the city-wide financials, versus shown in the fund statement. As such, we have prepared a balance sheet at 9/30/2015 showing the true Net Position of the Pearland Development Authority.

Attached is the auditor's opinion, which is unqualified or clean, as well as the statements pertaining to the Development Authority. Staff will be prepared to review the results with the board.

RECOMMENDED ACTION

Consideration and approval of Resolution RDAP 2016-01, accepting the 2015 Annual Finance Report of the Fiscal Year Ending September 30, 2015.

RESOLUTION NO. RDAP- 2016-01

A RESOLUTION OF THE DEVELOPMENT AUTHORITY OF PEARLAND (DAP), ACCEPTING THE 2015 ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2015.

BE IT RESOLVED BY DAP BOARD OF DIRECTORS:

Section 1. That the Development Authority of Pearland, TX hereby accepts the Fiscal Year 2015 Annual Financial Report as prepared by the accounting firm of Whitley Penn, L.L.P..

PASSED, APPROVED, AND ADOPTED this _____ day of _____ . A.D 2016.

DAP CHAIRMAN

ATTEST:

DAP SECRETARY

REPORT OF INDEPENDENT AUDITORS

To the Honorable Mayor and Members of
the City Council
City of Pearland, Texas

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 City of Pearland, Texas (the “City”) as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

Our responsibility is to express 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinions

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

To the Honorable Mayor and Members of
the City Council

Emphasis of Matter

As discussed in Note 1 and Note 16 to the financial statements, the City adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB Statement No. 68* for the year ending September 30, 2015. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 17, budgetary comparison information on pages 74 through 75, and pension system supplementary information and other post-employment benefit supplementary information on page 76 through 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules, other supplementary information, budgetary comparison schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

To the Honorable Mayor and Members of
the City Council

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of 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* in considering City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, slightly slanted style.

Houston, Texas
March 14, 2016

CITY OF PEARLAND, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2015

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Tax Increment Reinvestment Zone #2</u>
Assets				
Cash and cash equivalents	\$ 10,530,938	\$ 1,698,576	\$ 17,314,441	\$ 4,952,937
Investments	9,466,449	3,225,894	4,483,470	
Receivables, net of allowance for uncollectibles	6,272,108	8,416,110	2,546,390	
Due from other governments	518,592		7,140,395	
Due from other funds	44,456			
Inventories	210,352			
Prepaid items	83,097	166,894		
Restricted cash and cash equivalents				
Total Assets	<u>\$ 27,125,992</u>	<u>\$ 13,507,474</u>	<u>\$ 31,484,696</u>	<u>\$ 4,952,937</u>
Liabilities				
Accounts payable	\$ 3,135,170	\$ 166,894	\$ 1,349,141	\$ 4,191
Accrued expenditures	1,604,808		2,474,981	
Deposits	90,975			
Due to other funds				
Unearned revenue	460,480	1,562,194	1,431,020	
Total Liabilities	<u>5,291,433</u>	<u>1,729,088</u>	<u>5,255,142</u>	<u>4,191</u>
Deferred Inflows of Resources				
Unavailable revenue	480,322	6,744,771	5,709,375	
Total Deferred Inflows of Resources	<u>480,322</u>	<u>6,744,771</u>	<u>5,709,375</u>	
Fund Balances				
Non-spendable				
Inventories	210,352			
Prepaid items	83,097	166,894		
Restricted				
Debt service		4,866,721		
Capital improvements			20,520,179	
Community development programs				
Public safety				
Economic development				4,948,746
Assigned	1,406,453			
Unassigned	19,654,335			
Total Fund Balances	<u>21,354,237</u>	<u>5,033,615</u>	<u>20,520,179</u>	<u>4,948,746</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 27,125,992</u>	<u>\$ 13,507,474</u>	<u>\$ 31,484,696</u>	<u>\$ 4,952,937</u>

See Notes to Financial Statements.

Development Authority of Pearland	Non-major Governmental Funds	Total Governmental Funds
\$ 988,693	\$ 10,194,946	\$ 45,680,531
	13,492,962	30,668,775
	5,847,896	23,082,504
	149,352	7,808,339
		44,456
		210,352
	5,900	255,891
968,397		968,397
<u>\$ 1,957,090</u>	<u>\$ 29,691,056</u>	<u>\$ 108,719,245</u>
\$ 556	\$ 310,681	\$ 4,966,633
	34,697	4,114,486
	38,333	129,308
	44,456	44,456
		3,453,694
<u>556</u>	<u>428,167</u>	<u>12,708,577</u>
	<u>3,781,478</u>	<u>16,715,946</u>
	<u>3,781,478</u>	<u>16,715,946</u>
		210,352
	5,900	255,891
968,397		5,835,118
	1,963,607	22,483,786
	4,938,387	4,938,387
	393,582	393,582
988,137	18,179,935	24,116,818
		1,406,453
		19,654,335
<u>1,956,534</u>	<u>25,481,411</u>	<u>79,294,722</u>
<u>\$ 1,957,090</u>	<u>\$ 29,691,056</u>	<u>\$ 108,719,245</u>

CITY OF PEARLAND, TEXAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended September 30, 2015

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Tax Increment Reinvestment Zone #2</u>
Revenues				
Property taxes	\$ 13,261,422	\$ 28,757,970	\$	\$ 20,902,201
Sales and use taxes	19,073,940			
Franchise fees	6,663,788			
Licenses and permits	4,544,396			
Fines and forfeitures	2,968,636			
Charges for services	14,228,228			
Investment earnings	123,308	47,779	75,913	11,699
Intergovernmental	11,229	653,322	1,097,268	
Other	1,034,745	115,393	4,482,428	
Total Revenues	<u>61,909,692</u>	<u>29,574,464</u>	<u>5,655,609</u>	<u>20,913,900</u>
Expenditures				
Current:				
General government	8,828,201			
Public safety	31,999,650			
Public works	9,024,549		924,517	
Community services	3,114,754			
Parks and recreation	5,678,666			
Economic development				7,644,683
Debt Service:				
Principal	174,935	12,389,612		
Interest and other charges	27,022	12,978,019	357,492	
Capital outlay	3,860,304		20,464,495	
Intergovernmental		4,792,379		
Total Expenditures	<u>62,708,081</u>	<u>30,160,010</u>	<u>21,746,504</u>	<u>7,644,683</u>
Excess (deficiency) of revenues over expenditures	<u>(798,389)</u>	<u>(585,546)</u>	<u>(16,090,895)</u>	<u>13,269,217</u>
Other Financing Sources (Uses)				
Revenue bonds issued				
Certificates of obligation issued			9,485,000	
Permanent improvement bonds issued			8,495,000	
Refunding bonds issued		47,165,000		
Payments to refunded bond escrow agent		(54,303,290)		
Premium on debt issued		7,608,103	445,228	
Capital leases	574,049			
Sale of capital assets			3,157,291	
Transfers in	3,456,210	613,411	298,415	
Transfers out	(1,332,134)		(884,669)	(12,666,896)
Total Other Financing Sources (Uses)	<u>2,698,125</u>	<u>1,083,224</u>	<u>20,996,265</u>	<u>(12,666,896)</u>
Net change in fund balances	1,899,736	497,678	4,905,370	602,321
Fund balances - beginning	<u>19,454,501</u>	<u>4,535,937</u>	<u>15,614,809</u>	<u>4,346,425</u>
Fund balances - ending	<u>\$ 21,354,237</u>	<u>\$ 5,033,615</u>	<u>\$ 20,520,179</u>	<u>\$ 4,948,746</u>

See Notes to Financial Statements.

Development Authority of Pearland	Non-major Governmental Funds	Total Governmental Funds
\$	\$	\$
	10,895,771	62,921,593
	307,217	29,969,711
		6,971,005
		4,544,396
	139,598	3,108,234
	433,165	14,661,393
1,906	172,261	432,866
	1,434,955	3,196,774
	1,443,341	7,075,907
<u>1,906</u>	<u>14,826,308</u>	<u>132,881,879</u>
15,043	1,626,685	10,469,929
	229,037	32,228,687
	349,064	10,298,130
	293,481	3,408,235
	144,260	5,822,926
14,730,000	3,250,595	25,625,278
3,800,000	7,425,000	23,789,547
2,159,421	1,073,288	16,595,242
	145,716	24,470,515
		4,792,379
<u>20,704,464</u>	<u>14,537,126</u>	<u>157,500,868</u>
(20,702,558)	289,182	(24,618,989)
8,060,000		8,060,000
		9,485,000
		8,495,000
		47,165,000
		(54,303,290)
		8,053,331
		574,049
		3,157,291
12,666,896	8,041	17,042,973
	(349,731)	(15,233,430)
<u>20,726,896</u>	<u>(341,690)</u>	<u>32,495,924</u>
24,338	(52,508)	7,876,935
1,932,196	25,533,919	71,417,787
<u>\$ 1,956,534</u>	<u>\$ 25,481,411</u>	<u>\$ 79,294,722</u>

CITY OF PEARLAND, TEXAS
STATEMENT OF NET POSITION
September 30, 2015

	Development Authority of Pearland	
	<hr/>	
Assets		
Cash and cash equivalents	\$	988,693
Investments		
Receivables, net of allowance for uncollectibles		
Prepaid items		
Restricted cash		968,397
Deferred charges		
Capital Assets:		
Capital assets not subject to depreciation		
Capital assets, net of accumulated depreciation		
Total Capital Assets		<hr/> -
Total Assets	\$	1,957,090
		<hr/> <hr/>
Liabilities		
Accounts payable and accrued liabilities	\$	556
Accrued Interest		-
Deposits		
Unavailable/unearned revenues		
Long-term liabilities		
Due within one year		-
Due in more than one year		-
Total Liabilities	\$	556
		<hr/> <hr/>
Net Position		
Invested in capital assets, net of related debt	\$	-
Restricted for:		
Debt service		968,397
Economic Development		988,137
Total Net Position	\$	1,956,534
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CITY OF PEARLAND, TEXAS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 5 - Long-Term Debt (continued)

A. Governmental Activity Debt (continued)

The City issued \$4,860,000 of Certificates of Obligation, Series 2015 dated September 1, 2015. Proceeds from the sale of the certificates will be used for certain street improvements within the City including improvements to Industrial Drive, certain improvements to existing City facilities including Fire Station 2, and to pay the costs of issuance of the certificates.

The City issued \$8,495,000 of Permanent Improvement Bonds, Series 2015 dated September 1, 2015. Proceeds from the sale of the bonds will be used for construction and improvement to City facilities and to pay for the cost of issuance of the bonds.

The City issued \$47,165,000 of Permanent Improvement Refunding Bonds, Series 2015 dated April 1, 2015. Proceeds from the sale of the bonds will be used for the refunding of certain outstanding obligations of the City and to pay for the cost of issuance of the bonds.

The City issued \$8,060,000 of Tax Increment Contract Revenue Bonds Proceeds, Series 2014 dated December 9, 2014. Proceeds from the sale of the bonds were used to reimburse the developer \$7,890,000 for infrastructure within the TIRZ boundaries.

The City issued \$4,625,000 of Certificates of Obligation, Series 2014 dated October 1, 2014. Proceeds from the sale of the certificates will be used for improvements, renovations and additions to the existing public works service center located at East Orange Street and Old Alvin Road, acquisition of land for and the design and construction of two new fire stations located at Yost Road and FM 518 and at Harkey Road and Fite Road, project management for parks, street and facility capital projects within the City, renovations to the existing City Hall Complex, and to pay the costs of issuance of the Certificates.

The following is a summary of changes in the City's total governmental long-term liabilities for the year ended September 30, 2015. In general, the City uses the General and Debt Service funds as well as the Economic Development Corporation and Development Authority to liquidate governmental long-term liabilities.

	<u>Balance September 30, 2014</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Balance September 30, 2015</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds payable:					
General obligation bonds	\$ 236,730,000	\$ 55,660,000	\$ (46,525,000)	\$ 245,865,000	\$ 9,775,000
Certificates of obligation	56,505,000	9,485,000	(15,960,000)	50,030,000	2,600,000
Sales tax revenue bonds	22,690,000		(7,425,000)	15,265,000	720,000
Tax increment revenue bonds	57,435,000	8,060,000	(3,800,000)	61,695,000	3,855,000
Unamortized premium/(discount)	10,122,356	8,053,331	(1,990,621)	16,185,066	
Total bonds payable	<u>383,482,356</u>	<u>81,258,331</u>	<u>(75,700,621)</u>	<u>389,040,066</u>	<u>16,950,000</u>
Other liabilities:					
Net pension liability	10,013,507	4,693,718		14,707,225	
Obligations under capital leases	4,344,215	574,049	(1,289,549)	3,628,715	1,050,017
Compensated absences	5,682,057	2,856,633	(2,734,483)	5,804,207	968,388
Other post-employment benefits	1,721,250		794,737	2,515,987	
Total Governmental Activities	<u>\$ 405,243,385</u>	<u>\$ 89,382,731</u>	<u>\$ (78,929,916)</u>	<u>\$ 415,696,200</u>	<u>\$ 18,968,405</u>

CITY OF PEARLAND, TEXAS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 5 - Long-Term Debt (continued)

A. Governmental Activity Debt (continued)

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

The full amount estimated to be required for debt service on general obligation debt is provided by (1) the debt service portion of the tax levy; (2) interest earned in the Debt Service Fund; and (3) transfers from the Water and Sewer Enterprise Fund. Transfers from the Enterprise Funds are approved at the discretion of City Council and are not intended to service a specific bond series.

A summary of the terms of general obligation bonds and certificates of obligation, as of September 30, 2015, follows:

Series	Original Issue	Matures	Interest Rate (%)	Debt Outstanding
General Obligation Bonds				
Permanent Improvement and Refunding Bonds, Series 2005	37,015,000	2029	3.25-5.00	\$ 940,000
Permanent Improvement and Refunding Bonds, Series 2006	32,165,000	2029	4.00-5.00	8,525,000
Permanent Improvement and Refunding Bonds, Series 2007	69,640,000	2032	4.00-5.00	40,135,000
Permanent Improvement, Series 2008	22,835,000	2032	4.50-5.50	16,180,000
Permanent Improvement and Refunding Bonds, Series 2009	16,735,000	2034	2.00-5.00	14,580,000
Permanent Improvement, Series 2010A	12,415,000	2035	3.00-4.00	10,625,000
Permanent Improvement Refunding, Series 2010B	1,630,000	2018	2.00-4.00	555,000
Permanent Improvement, Series 2011	5,400,000	2036	2.125-4.125	4,905,000
Permanent Improvement and Refunding Bonds, Series 2012	43,575,000	2029	3.00-5.00	42,890,000
Permanent Improvement Bonds, Series 2013	9,315,000	2038	3.00-5.00	8,745,000
Permanent Improvement and Refunding Bonds, Series 2014	40,410,000	2034	2.00-5.00	39,875,000
Permanent Improvement Refunding Bonds, Series 2015	47,165,000	2032	2.00-5.00	47,165,000
Permanent Improvement Bonds, Series 2015	8,495,000	2035	2.00-4.00	8,495,000
Annexed Municipal Utility District Bonds				
BC MUD 4 Series 2011	2,640,000	2032	2.50-5.00	2,250,000
Total General Obligation Bonds				<u>\$ 245,865,000</u>
Certificates of Obligation				
Certificates of Obligation, Series 2006	9,700,000	2029	3.65-4.68	\$ 800,000
Certificates of Obligation, Series 2007	23,250,000	2032	3.25-5.25	11,640,000
Certificates of Obligation, Series 2008	9,000,000	2032	3.75-5.00	8,180,000
Certificates of Obligation, Series 2009	8,520,000	2034	2.25-5.00	7,370,000
Certificates of Obligation, Series 2009A	12,145,000	2029	2.00-4.50	8,945,000
Certificates of Obligation, Series 2011	2,095,000	2021	2.09	1,255,000
Certificates of Obligation, Series 2013	2,745,000	2038	3.00-4.625	2,585,000
Certificates of Obligation, Series 2014	4,625,000	2034	2.00-4.00	4,395,000
Certificates of Obligation, Series 2015	4,860,000	2035	2.00-4.00	4,860,000
Total Certificates of Obligation				<u>\$ 50,030,000</u>

CITY OF PEARLAND, TEXAS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 5 - Long-Term Debt (continued)

A. Governmental Activity Debt (continued)

A summary of the terms of the revenue bonds recorded as long-term liabilities in the Pearland Economic Development Corporation and Development Authority of Pearland as of September 30, 2015, is as follows:

Series	Original Issue	Matures	Interest Rate (%)	Debt Outstanding
Pearland Economic Development Corporation				
Sales Tax Revenue Bonds, Series 2005	\$ 10,590,000	2026	2.30-4.42	\$ 6,635,000
Sales Tax Revenue Bonds, Series 2006	10,235,000	2030	3.66-4.75	8,630,000
Development Authority of Pearland				
Tax Increment Revenue Bonds, Series 2012	56,915,000	2029	3.07*	45,830,000
Tax Increment Revenue Bonds, Series 2013	9,150,000	2029	3.77	8,355,000
Tax Increment Revenue Bonds, Series 2014	8,060,000	2029	3.00	7,510,000
Total Component Unit Long-Term Debt				<u>\$ 76,960,000</u>

*Fixed for 10 years, then rate changes to be 65% of LIBOR, not to exceed 6.0%

Current Year Refunding

The Permanent Improvement Refunding Bonds, Series 2015 were issued on April 1, 2015 in the amount of \$47,165,000 to refund certain outstanding obligations of the City in the aggregate principal amount of \$51,210,000. The new bonds bear interest from 2.00% - 5.00% and are due in annual installments ranging from \$320,000 to \$4,975,000 through March 1, 2032. The refunding will save \$7.227 million over 17 years, or annual savings of about \$425,000 with a present value savings percent of 11.17%.

Prior Year Refunding

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At September 30, 2015, approximately \$79 million of previously refunded bonds outstanding were considered defeased.

General Obligation

PIB Series 2006	\$ 21,495,000
CO Series 2006	7,300,000
CO Series 2007	10,160,000
PIB Series 2007	21,295,000
PIB Series 2008	4,870,000
	<u>\$ 65,120,000</u>

Development Authority of Pearland

Series 2006	\$ 6,970,000
Series 2009	6,880,000
	<u>\$ 13,850,000</u>

Total: \$ 78,970,000